FINANCIAL TIMES

No. 27,670 Saturday September 23 1978 **15p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.0; GERMANY DM 2.0; ITALY L 600; NETHERLANDS Fl 2.0; NORWAY Kr 3.5; PORTUGAL Esc 20; SPAIN Pts 40; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0; EIRE 15p

NEWS SUMMARY

GENERAL

Premier starts Kaunda talks

The Prime Minister, Mr. James Callaghan, has begun crucial talks with Zambian President Kenneth Kaunda on Britain's breaking of oil sanctions to Rhodesia—confirmed by the Bingham report — and the deteriorating situation in Southern Africa.

Within two hours of their arrival at Kano, Nigeria, the two leaders started their talks which, according to Zambian sources, are likely to include a demand from President Kaunda for a firm British commitment to disown Rhodesian Premier, Mr. Ian Smith.

Mr. Callaghan was accompanied by Foreign Secretary Dr. David Owen and Mr. Martin Lynch, head of the African Department at the Overseas Development Ministry.

Daily Star

The new national newspaper the Daily Star is to be launched on November 2, Express Newspapers chairman, Mr. Victor Matthews, announced, after full NUJ support for the publication. Back Page

Flights delayed

South-bound flights from Paris were delayed by up to one hour as French air traffic controllers began their sixth work-to-rule this year over pay and conditions.

Thorpe case

Committal for trial proceedings for the former Liberal leader Mr. Jeremy Thorpe are likely to be further postponed. Mr. Thorpe's solicitor has told the DPP that he has not enough time to prepare the defence case for October 9.

Lassa suspect

A Kent woman recently returned from Nigeria has been admitted to a London hospital with suspected lassa fever. West London coroner Dr. John Burton called for a flying squad of experts to instantly identify dangerous diseases. Three members of a Gloucestershire scout troop now have typhoid after a trip to Portugal.

Hunt honoured

The Royal Swedish Automobile Club is presenting British racing driver James Hunt with the Golden Shield for rescuing Sweden's Ronnie Peterson from his blazing car at the Italian Grand Prix. Peterson died later.

Bombs hit airfield

Three bombs destroyed a hangar and two aircraft belonging to Keysair air taxi company at an airfield outside Londonderry. The Irish Freedom Fighters claimed responsibility.

Reply agreed

West Germany said today that it had agreed with France on a joint response to Britain's bid to rejoin the Franco-German airbus consortium.

Britons held

Three Liverpool men have been detained in Antwerp in connection with inquiries into the theft of property worth £33,000 from ships moored in the port.

Killed for £100

The gang of antique thieves, who shot dead 13-year-old newspaper-boy Carl Bridgewater when he disturbed their raid on a farm, escaped with only £100 of property, Staffordshire police said.

Briefly ...

Hong Kong police raiding a suspected gambling den found 22 colleagues inside.

Three men were beheaded in Saudi Arabia for raping a girl.

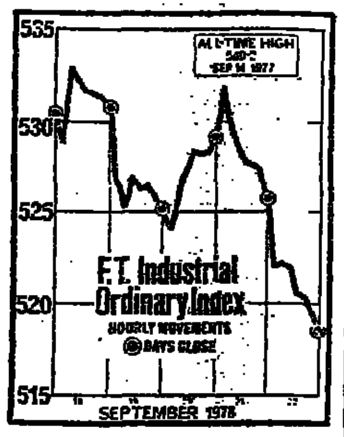
British rock singer Joe Cocker was sued for $45,000 (£22,727) by his Los Angeles landlord, who accused him of damaging a house.

Priceless crown of the Virgin of Lluc, Majorca's patron saint, has been stolen from a monastery on the island.

BUSINESS

Equities uneasy; Gilts fall 0.26

● EQUITIES continued to be unsettled by the Ford dispute. Share Index fell 7.1 to close at 518.6, a loss on the week of 11.8.



● GILTS were affected by reluctance in buyers, with the shorts especially prone to small selling and sustained falls extending to ½. The Government Securities Index closed 0.26 down at 70.55.

● STERLING closed 95 points down at 1.9715 and its trade-weighted index fell to 62.8 (63.1). The dollar recovered a little, helped by some profit-taking, and its trade-weighted average depreciation narrowed to 9.3 (9.6).

● GOLD fell $1 to 214¾. The New York Comex September settlement was $219.10 ($210.50).

● WALL STREET moved erratically, touching extremes of 855.42 and 868.16 before closing 1.30 up at 862.44.

Tilling drops Yale bid

● THOMAS Tilling pulled out of its planned acquisition of the Yale lock company just before an announcement that Scovill Manufacturing of Connecticut had bought Yale. Back Page

● DOCKERS at Hull and Goole formed an action committee to fight a £10m scheme to develop the south Yorkshire canal as far as Sheffield and Rotherham. Page 4

● A £40m project to mine another 50m tons of coal under the Firth of Forth will create 500 jobs by 1986-87, Mr. Alex Eadie, Energy Minister responsible for mining, said. Page 3

● HELENA Rubenstein set to make and distribute Coty beauty prodcts in Britain next year, involving the closure of Coty's Brentford, London, factory and the loss of 274 jobs. Page 4

● WEST MIDLANDS "on the verge of industrial instability" because it is not free to attract new companies, said Dr. Joseph Pope, chairman of the region's Economic Planning Council. Page 3

● FISONS expect to produce 250 tonnes of Atlantic salmon a year at a new fish farm at Tayinloan, Argyll. Page 3

● SWITZERLAND'S Government and the National Bank are to announce new measures to counter the sharp rise in the Swiss Franc's exchange rate, Mr. Fritz Honegger, Economics Minister, said.

● ITALY is easing monetary restrictions further by reducing commercial banks' obligation to subscribe part of the increase in their deposits in some types of government bonds. Page 2

● COMMERCIAL vehicle links between Volkswagen and MAN, the West German truck manufacturer, are to be strengthened by setting up joint distribution companies. Back Page

COMPANIES

● REPORTS of share placings worth a total of over £18m included unexplained sales of stakes in Standard and Chartered Bank and Midland Bank by the consortium Midland and International Banks. Page 16

● TELEFUSION reported pre-tax profits of £2.07m for 1977-78, down from £3.09m. Page 16.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Bambergers	83	+ 30
Gordon & Gotch	85	+ 5
Hoskins & Horton	180	+ 17
ICL	414	+ 12
Lyons (J.)	148	+ 8
Magnet & Southerns	232	+ 7
New York & Grtmore.	46	+ 6
FALLS		
Treasury 14% 1982	£106$\frac{7}{32}$	− ⅛
Allied Breweries	80½	− 4
E.R.F.	111	− 8
GUS A	325	− 4
Land Securities	246	− 4
Lucas Inds.	320	− 8
Metal Box	352	− 12
NatWest	268	− 10
Randalls	95	− 5
Rockware	147½	− 6½
Tarmac	146	− 4
Telefusion A	38	− 4
Tube Investments	402	− 6
UBM	71	− 3
Utd. Newspapers	395	− 8
Shell Transport	573	− 7
De Beers Dfd.	424	− 12
Pancontinental	£10¾	− ⅛
West Drie.	£25½	− ⅛
Winkelhaak	701	− 22

OPEN CONFRONTATION WITH PAY POLICY OVER 5% OFFER

All-out strike call at Ford

BY ALAN PIKE and CHRISTIAN TYLER

THE FORD pay claim developed into an undisguised confrontation with the Government's pay policy yesterday as union negotiators called for an all-out official strike to increase the company's 5 per cent offer.

Members of the negotiating committee unanimously rejected the offer tabled on Thursday, and made their strike call against a background of mounting unofficial walkouts in Ford plants throughout the country.

The Ford claim is the first large private-sector negotiation of the year. If a strike by the 57,000 manual workers forces the company to breach the 5 per cent guidelines, the Government's Phase Four policy will have crashed on its test flight.

With the Labour Party conference only a week away, Ministers face the embarrassing prospect of a major pay dispute in progress as Left-wingers mount a challenge to wage controls in the conference hall.

The present pay agreement still has a month to run, and the swiftness and force of the reaction in some factories surprised even union officials who had expected a degree of unofficial action.

There appears to be a feeling among many Ford workers that an immediate strike is the only way of ensuring that their negotiators do not settle within the 5 per cent limit, boosted by productivity payments.

Union negotiators made their strike call after a 24-hour meeting in which Mr. Ron Todd, their leader, telephoned Mr. Paul Roots, Ford's employee relations director, and asked whether the company was prepared to continue negotiations on the basis of free collective bargaining. Mr. Roots, he said, had replied that the company must face "the realities of life."

Mr. Todd, national organiser of the Transport and General Workers' Union, said that his union could not accept a settlement on the basis of a self-financing productivity deal as suggested by the company because that would be acquiescing to the incomes policy White Paper.

If the unions do firmly reject a settlement on the basis of 5 per cent plus more on productivity, it rules out the only means of giving the Ford workers more money without breaching the guidelines.

The negotiators' recommendation that there should be an official strike has to be considered by the executives of all the unions involved, a process likely to take most of next week. Meanwhile, Ford's production is set to remain badly disrupted by continuing unofficial action.

Men at factories at Dagenham, Halewood, Swansea, Daventry and Basildon stopped work yesterday in protest at the pay offer. Others at Halewood and Southampton had walked out as soon as details of the offer became known on Thursday.

Some strikes are due to end on Monday, though this position may change now that the negotiators are calling for official action. But strikes in the body, assembly and transmissions plants at Halewood and by internal drivers at Dagenham are fixed to continue indefinitely.

The drivers' strike will halt all movement of components in the Dagenham complex, severely disrupting the company's biggest centre of operations, while the Halewood transmissions factory is a vital source of components for other plants. The other Halewood strikes will keep all Escort production at a standstill.

Yesterday's decision by the union negotiators means that all further discussions with the company are broken off.

The developments brought a sharp reaction from Mr. Roots, who said that the walk-out from plants was a very serious breach of last year's agreement, which still has a month to run. It was "even more deplorable" that steps were being taken to get executive approval for such actions.

"Our position has not changed. We still believe that the productivity talks proposed on our reply on Thursday would provide a realistic basis for a settlement which the vast majority of our employees would be able to endorse."

The Department of Employment would not comment in detail on yesterday's events, but made it clear that it was in constant touch with Ford and that the unambiguous limit of 5 per cent on pay settlements would mean that sanctions would automatically be considered if any company went above it.

Mr. Albert Booth, Employment Secretary, was returning from a meeting of EEC Ministers in Frankfurt yesterday. The Prime Minister, who left for Nigeria yesterday, was being informed. He is expected back tonight.

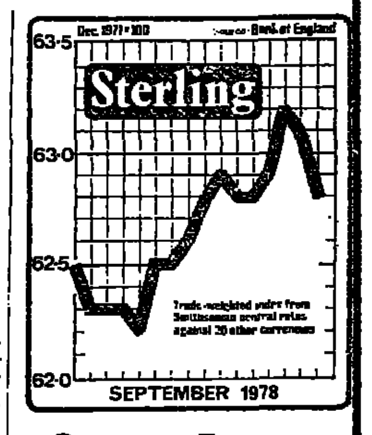
Mr. Moss Evans, general secretary of the TGWU, said yesterday that the reaction of Ford workers gave substance to repeated warnings by his union that the 5 per cent was "totally unrealistic."

He was speaking after a week-long meeting of the union's

Continued on Back Page

The seven-week-long unofficial strike by machinists at Leyland Vehicles' Bathgate truck and tractor factory was called off at a mass meeting of strikers yesterday. Unions will now campaign to pursuade the company to reinstate £32m of investment to Bathgate which it announced earlier this week was being withdrawn, Page 4.

Ford workers claim share of profits Page 4.



£ under pressure; $ firmer

By Michael Blanden

THE TROUBLES of Ford upset the foreign exchange market yesterday and brought substantial selling pressure on the pound.

At one stage sterling was down by over 2c against the dollar, at $1.9575. The weighted index of the pound's value against a basket of currencies, as calculated by the Bank of England, dropped at noon to 62.6, down by 0.5 point, or nearly 0.8 per cent from the previous night's closing level.

Later in the day the pound picked up, with support by the Bank reported. It closed at $1.9715 against the dollar in London for a loss of 95 points, while the index recovered to 62.8 against 63.1

The weakness of the pound extended to its rate against the strong European currencies, and it fell to a new all-time low level against the Swiss franc. At one stage it dropped below 3 SwFr to 2.99, closing at SwFr3.0025.

The pressure on sterling was increased by a significant recovery in the value of the dollar, which had been under sustained selling pressure earlier in the week. The improvement appeared to reflect a reaction after the previous sharp falls, and though the U.S. currency slipped back a little later in the day, it kept some of the improvement.

Helped by a further drop in the Canadian dollar, the weighted depreciation of the U.S. currency as measured at noon New York time by Morgan Guaranty narrowed from 9.6 per cent to 9.3 per cent.

At the close of business in London the dollar was slightly up against the Swiss franc and the D-Mark at SwFr1.5225 against SwFr1.5170 on Thursday and DM1.9530 against DM1.9520.

The price of gold, which had reached a new peak on Thursday, fell by $1 to $214¾ an ounce.

£ in New York

—	Sept. 22	Previous
Spot	$1.9725-9735	$1.9800-9810
1 month	0.75-0.65 dis	0.55-0.50 dis
3 months	1.75-1.65 dis	1.39-1.34 dis
12 months	5.65-5.45 dis	4.90-4.70 dis

Germans close to £2.1bn mines deal with China

BY JONATHAN CARR BONN, Sept. 22.

CHINA is ready to conclude deals worth at least DM 8bn (£2.1bn) with West German companies to help modernise its coal industry.

It is also ready to use credit from West German banks to pay for the deals—suggesting financing arrangements similar to those being worked out for Japanese and British contracts.

This is the outcome of a protocol signed in Peking today by Chinese representatives and a delegation of West German businessmen and industrialists. The delegation is not due to return until next week.

It is emphasised that the protocol amounts to a declaration of intent. Further talks will be needed to conclude contracts between the Chinese and German companies, and the banks.

The scope of the accord appears to go beyond German expectations. The value recalls the massive deals signed in recent years between West Germany on the one hand and Iran and Brazil on the other.

Modernise

According to the protocol, the West Germans are ready to build five deep coal mines, modernise one and extend two open-cast mines. They will also put up a large factory to build mining machinery, and modernise seven factories.

If all this goes ahead, it could surpass the deal announced in early August under which Britain is to design, build and equip two Chinese coal mines. Direct comparison is difficult because the extent of the project in which Britain is involved, has yet to be worked out. It was not clear here today how the new German accord might affect Britain's deal.

China is involved in a big expansion of its coal industry, and aims to increase annual production to about 1bn tonnes over the next 10 years, compared with the current estimated 500m to 600m tonnes. One deal with the West, therefore, would not necessarily exclude others.

No details are yet available on the credit conditions being offered or on the banks involved. However, it is noted that Dr. Hans Friderichs, chairman of West Germany's second biggest bank, the Dresdner, will be visiting Peking next month.

The protocol represents a further step in the recent intensification of West German-Chinese relations, which is a sign of Peking's new openness to the West.

David Housego writes: British officials feel the German deal does not overlap with or undermine the accord reached with the National Coal Board during the visit to Peking in August of a delegation led by Mr. Edmund Dell, Secretary for Trade.

China's coal reserves are vast and because of the pace the Chinese want to develop them there is room for several suppliers. A team from the NCB is due to visit Peking shortly to follow up the offers made to Sir Derek Ezra, the Board's chairman, who went with Mr. Dell on his mission.

Steel plants

The seriousness of the Chinese wish for British participation in their industrialisation drive is emphasised by Chairman Hua Kuo-feng's possible visit to Britain next year.

The Chinese - West German deal would be the biggest contract concluded so far in the current round of Chinese industrial buying. The only one approaching the value of the new protocol is the one for the integrated steel plant to be built by Japan near Shanghai. This was signed in the spring, and Japan valued it at $3-4bn.

Other recent deals include the Dowty Group's sale of mining machinery at £70m and Gullick Dobson and Anderson Mavor contracts, each worth about £10m.

Davy International won two contracts to build petrochemical plants though no financial details have been announced, and West Germany and Japan have also agreed to supply chemical plants.

U.S. discount rate increased to 8%

BY STEWART FLEMING NEW YORK, Sept. 22.

THE FEDERAL Reserve Board today increased the discount rate to 8 per cent, equalling its highest level and reinforcing the upward march of U.S. interest rates.

The Central Bank said that the action was taken "as a further step to strengthen the dollar" and "in recognition of recent increases in other short term interest rates to bring the discount rate into closer alignment with short-term rates."

But some Wall Street economists questioned the value of the move in relation to the foreign exchange markets. They pointed out that the increase was only ¼ of a percentage point from the 7¾ per cent level established on August 18 when the discount rate was last raised as part of the Carter Administration's "continuing actions" to strengthen the dollar.

At that time the discount rate was raised by half a percentage point. This enhanced both the symbolic and the real impact of the decision at a time when the dollar was also under pressure, as it has been this week.

Subsequently short-term interest rates in the U.S. have moved up sharply, with the commercial bank prime rate, for example, rising from 9 per cent to the current level of 9½ per cent.

There are widespread predictions that a further increase in the prime rate could come at any time. One of the largest New York banks, Manufacturers Hanover Trust, says today in its weekly financial digest that "the prime could move to 9¾ per cent on the basis of rates now present in the commercial paper market."

There are already signs in the financial markets which suggest that further increases in short rates and the prime might be imminent. Two big New York banks, Chemical Bank and Chase Manhattan, yesterday raised their loan rates to stockbroking houses to 9½ per cent and 9¾ per cent respectively. In recent months increases in the broker loan rate have frequently signalled a prime rate rise.

Another distrubing sign has been the Federal Reserve Board's latest revision of the money supply data. These revisions, designed to take in more comprehensive data, show that in the first eight months of this year the narrow money supply grew at an 8.1 per cent annual rate, up significantly from the earlier estimate of 7.6 per cent and well above the Fed's long-run maximum target rate of 6.5 per cent.

Allied-Lyons deal goes ahead

BY ANDREW TAYLOR

ALLIED BREWERIES yesterday achieved its ambition to acquire the J. Lyons food group after Mr. Roy Hattersley, Prices Secretary, announced that the group's controversial £60m bid would not be referred to the Monopolies Commission.

Mr. Hattersley said he had reached his decision after receiving assurances from Mr. Keith Showering, Allied's chairman, regarding future employment at Lyons and the future of Lyons 17 per cent stake in Belhaven Brewery.

Following the removal of the only remaining potential obstacle to the bid, Allied announced that it now owned 78.4 per cent of Lyons and that its offer would remain open until further notice.

The question of future employment at Lyons, which has faced difficulties recently, appears to have been a key factor in the decision not to refer this big acquisition to the commission.

But Mr. Hattersley has not been able to win any guarantee that there will be no redundancies at Lyons, following the merger. The Prices Department said that Mr. Showering had told the Secretary of State that there was a continuing reorganisation at Lyons which "may entail some changes in employment."

Mr. Showering told Mr. Hattersley, however, that the employment situation at Lyons would not be worsened by the merger and would, in his view, be better than if the merger did not take place.

Assurances

Mr. Hattersley had also sought assurances on the Belhaven stake and has been given a written undertaking that Allied will sell these shares within three months of the merger and remove the Lyons director from the Belhaven board immediately.

The department said Mr. Showering had given other assurances which indicated that Allied intended significantly to improve the efficiency and management of the Lyons operation.

Earlier this week, Mr. Showering told an extraordinary meeting of Allied shareholders that he would become chairman of the new Lyons division and that other key appointments would also be made.

Allied's offer of 11 of its shares for every six Lyons shares ran into difficulties after some pension funds objected to Allied's using its unissued capital without consulting shareholders about the offer. This hurdle was cleared earlier this week when Allied shareholders backed the terms at an EGM.

Mr. Derrick Holden-Brown, deputy chairman of Allied, said the Belhaven request came as no surprise to his company.

He said it was known that the Government "does not wish the larger brewers to undertake any further mergers."

The deal looks likely to increase competition in the groceries business.

Mr. Holden-Brown said: "With our help, financial and management and marketing skills, we feel Lyons can more quickly recover its position as a highly competitive company in this market place."

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FEATURES

For latest Share Index 'phone 01-246 8026

OVERSEAS NEWS

NIGERIA LIFTS POLITICAL BAN

A step towards civilian rule

BY MARTIN DICKSON, AFRICA CORRESPONDENT

NIGERIA'S military Government has lifted the country's 12-year-old ban on political activity, ushering in an era of party politics in preparation for the scheduled return to civilian rule on October 1 next year.

In a television broadcast to the nation on Thursday night, Lt.-Gen. Olusegun Obasanjo announced the lifting of both the ban on politics and the State of Emergency imposed in 1966 when the military took over

The move is in itself unsurprising. Under the military Government's four-year timetable for a return to civilian rule — a timetable it has scrupulously honoured—the ban on politics was scheduled to have been lifted by October 1 this year, allowing 12 months of political activity and numerous elections before a civilian Government takes over.

But the lifting of the ban will mark the start of a period of intense political activity as the shadowy political alliances that have been forming in recent months come out into the open and declare themselves as parties.

Gen. Obasanjo said the Government would be promulgating two new decrees. One would be to bring into effect from October 1, 1979 Nigeria's new constitution, which has been debated over the past year by a constituent assembly. This gives Nigeria an executive President and a two-house federal legislature.

The second decree covers the remaining period of military rule and empowers the Chief of Staff of the Armed Forces and the Inspector-General of Police to detain undesirable elements beyond 24 hours.

First reports reaching London of Gen. Obasanjo's speech suggest that the ruling Supreme Military Council has approved the new constitution without making any major changes in the Constituent Assembly's plans.

In particular, there was no indication that the Government had altered the Assembly's compromise decision on the vexed question of providing a federal Sharia court of appeal in cases of Muslim personal law. As late as last month, some members of the Constituent Assembly from the Muslim North of Nigeria had been keeping this issue alive and potentially contentious.

At the same time, the Government has decided that English will no longer be the sole language that can be used in National Assembly proceedings. An amendment to the constitution will allow Nigeria's three major languages—Hausa, Ibo and Yoruba—to be used.

Another amendment, apparently designed against corruption, says that no Government officials or members of legislative bodies can operate foreign accounts.

It may be some days before Nigeria's new political parties all declare themselves, but at least three or four are thought likely to emerge. One is certain to be led by Chief Obafemi Awolowo, the veteran Yoruba politician and once leader of the former Western Region Government. However, he is likely to face some very strong opposition.

Already, Mr. J. S. Tarka, a leader of the non-Muslim Tiv in Northern Nigeria, has declared himself to be a leading member of a political alliance, apparently to be called the National Movement, which specifically excludes Chief Awolowo.

Until political alliances become clearer, all such claims will have to be treated with caution. However, particular interest is now being focused on the intentions of Alhaji Shehu Shagari, one of the most prominent of former Northern politicians and a man sometimes tipped as a strong Presidential contender.

SWAPO ultimatum on Namibia

BY OUR OWN CORRESPONDENT LUSAKA, Sept. 22.

TWO OF THE main Soviet-backed nationalist movements in Southern Africa—SWAPO, the South-West Africa People's Organisation, and ZAPU, Mr. Joshua Nkomo's wing of the Rhodesian Patriotic Front—today delivered ultimatums to the five Western powers which have been trying to negotiate a settlement in Namibia (South West Africa).

The Western efforts suffered a severe setback this week when South Africa rejected UN proposals for pre-independence elections and said it would mount its own poll.

SWAPO vice-president, Mr. Misheke Muyongo, told a news conference here that it would be difficult for his organisation to go along with further Western peace moves unless Britain, Canada, France, the U.S. and West Germany had something positive to offer. "We don't want to be taken for a ride any more." Mr. Muyongo said. "Fifteen to 18 months (the duration of the protracted Western initiative) is enough."

A separate ZAPU statement put it more strongly, echoing mounting calls at the UN for sanctions against South Africa: "There is only one course of action left: they (the West) must impose a total trade embargo on South Africa, withdraw all diplomatic relations and supply SWAPO with arms to fight the imposition of South African indirect rule in Namibia."

Mr. Muyongo pointedly appealed to socialist states to increase arms supplies and training to SWAPO. Diplomatic sources indicated that little Western action was likely until South Africa chose a successor to Prime Minister Mr. John Vorster.

● A UN special committee today called on the Security Council to impose an oil embargo on South Africa and its chairman, the Nigerian Ambassador, Mr. Leslie Harriman, demanded economic sanctions against Pretoria.

Quentin Peel adds from Johannesburg: There is a growing confidence in government and political circles here that Mr. John Vorster has pulled off a diplomatic coup with his rejection of an international settlement in Namibia.

Members of the ruling National Party establishment argue that the Western powers can not afford to take drastic measures. While they expect some retaliation for the decision to go ahead with elections without UN supervision, they believe that it will be low-key and largely token.

Business reaction to Mr. Vorster's announcement of his resignation and the unilateral move in Namibia has remained minimal. One indicator of this sanguine reaction was the advice published by a pro-Government newspaper on which shares to buy to benefit from an imposition of sanctions: go for electricals, steel, engineering and the construction industry and to stay with gold and diamonds (low volume, high price).

Socialist body calls for Somoza overthrow

By Hugh O'Shaughnessy

INTERNATIONAL pressure on the government of Gen. Anastasio Somoza increased yesterday after the Socialist International grouping of Social Democratic countries published a call for support of Nicaraguans who are resisting the Somoza government.

The Socialist International statement calls for a halt to all military supplies to the regime, the immediate resignation of Gen. Somoza, a halt to summary executions by the National Guard and help for the democratic successor to the Somoza government.

The SI statement reflects growing concern, particularly in Western Europe, about events in Nicaragua.

In Washington, where Foreign Ministers of the Organisation of American States yesterday went into a second day of debate about Nicaragua, there is no sign of the U.S. Government taking a strong lead in opposition to the Somoza Government.

While President Jimmy Carter is reported to be angry at claims by Gen. Somoza that he is still receiving U.S. support, there are still misgivings in official circles about the complexion of any government which might succeed the present Nicaraguan regime.

Venezuela, which has up to now taken the lead in denouncing the Somoza regime, is reported to be sceptical of any effective action being taken by the OAS.

President Carlos Andres Perez of Venezuela is hoping for more effective action from the United Nations. He expects to address the General Assembly next week.

Cheering Israelis greet Begin

BY DAVID LENNON

MR. MENAHEM BEGIN, the Israeli Prime Minister, arrived home today to cheering crowds while the army was busy preventing opponents of the Camp David agreement from establishing new settlements on the West Bank.

"We have brought you from Camp David a peace agreement with honour and security," he said at the airport, but added that it was too early to say "We have brought you peace."

Mr. Begin said there were difficult days ahead, but "a firm basis has been laid for reaching a peace agreement between us and Egypt and subsequently between us and the rest of our neighbours."

The Premier was greeted by all the members of his coalition, but no members of the opposition parties were present.

Alone among the smiling welcoming party Mr. Ariel Sharon, the minister with responsibility for settlements, looked grim-faced and refused to reciprocate the bear hug which Mr. Begin gave him.

There was a small group of protesters among the thousands cheering the Prime Minister as he walked among the crowds. They carried black umbrellas to show that they compared Mr. Begin to Mr. Chamberlain at Munich.

On the West Bank the army placed at least one Jewish settlement under curfew. Maaleh Adumin, near Jerusalem, was ringed with soldiers to prevent the settlers from trying to create a new settlement or block the roads in the area, as they had done yesterday.

Some of the settlers who yesterday were forced off a mountain top near Nablus returned to the site today. This time the army was expected to remove them immediately.

Soldiers and helicopters were scouring the area all day to seek out other members of the extreme Gush Emunim (Faith Block) movement who might be trying to create new settlements on the West Bank.

● Mr. Begin conferred with Mr. James Callaghan, the Prime Minister, and Dr. David Owen, the Foreign Secretary, for 50 minutes at Heathrow airport on his trip back to Israel from Washington. They discussed the agreements reached with Egypt at the Camp David summit, which Mr. Callaghan, while rassuring Mr. Begin of Britain's support, described as "giant steps away from war." Mr. Callaghan informed Mr. Begin that he would like to visit Israel before the end of the year, according to Mr. Dan Pattir, Mr. Begin's Press officer.

Reuter reports from Nabatiyeh: Villagers fled their homes under heavy artillery bombardment today after the collapse of a two-hour truce arranged by United Nations officers in southern Lebanon. Local residents said three people were killed and 11 wounded in shellfire by right-wing militias which destroyed several houses and set others ablaze in this leftist-Palestinian market town. Seven villages around Nabatiyeh were also bombarded after the end of the truce, which had been arranged by officers of Unifil stationed at Beaufort Castle.

U.S. plans aid for Mideast

WASHINGTON, Sept. 22.

THE U.S. Senate today cleared the way for appropriating $1.7bn in economic support aid to Egypt, Israel, Jordan and Syria.

An attempt to eliminate a $90m. aid fund for Syria was abandoned at the request of the Carter Administration, which feared that action might undermine current attempts by the Secretary of State, Mr. Cyrus Vance, to convince Syria, Jordan and Saudi Arabia to support the Camp David agreements.

It was learned that Mr. Vance had asked key members of the Senate Appropriations Committee to take no action on aid earmarked for Syria while he was in the Middle East.

The House of Rerpresentatives already has cut the Syrian aid fund from the foreign aid Bill in retaliation for the shelling by Syrian occupation troops of Christian residential areas in Lebanon. The matter will be considered again when the Bill comes before a House conference committee.

An economic support fund in the pending $9.2bn foreign aid Bill sets aside $785m for Israel, $750m for Egypt, and $93m for Jordan, as well as the $90m for Syria. AP-DJ.

Brezhnev condemns deal

BY DAVID SATTER MOSCOW, Sept. 22.

MR. LEONID BREZHNEV, the Soviet President, today denounced the "anti-Arab deal between Egypt and Israel" struck at Camp David and warned that it could only make the Middle East situation even more explosive.

Speaking in Baku, the capital of Soviet Azerbaijan, Mr. Brezhnev said that the Middle East is a continuing seat of tension because of Israel's attempts, by force or diplomacy, "to impose its will on the Arabs."

He said the intention in "behind the scenes separate deals" is absolutely clear: "to split the Arabs, set them at loggerheads" and impose on each Arab country "terms of settlement that suit the aggressor."

Mr. Brezhnev said there was only one road to a Middle East settlement and that was the liberation of all Arab lands and "unambiguous respect" for the lawful rights of the Palestinian Arabs, including their right to a state.

Mr. Brezhnev also, however, supplemented his critical remarks on the Middle East with an optimistic assessment of the state of U.S.-Soviet relations.

EEC move may force change in tuition fees

By Guy de Jonquieres, Common Market Correspondent

BRUSSELS, Sept. 22.

BRITAIN and other EEC countries would be required to change their systems of charging bigger tuition fees to foreign higher education students than to their own nationals under a scheme proposed today by the European Commission.

The proposals seek to encourage the growth of exchanges at the higher education level throughout the community by ensuring that member countries impose no special conditions on the admission of students from other parts of the EEC which do not apply to their own nationals.

Current Government recommendations in the UK call for fee scales of up to £150 a year more for overseas students receiving higher education than for British residents. The two other countries operating similar feel differentials are Belgium and Ireland.

As well as eliminating such differences within the Community, the scheme would ensure that overseas students are not subjected to discriminatory admission criteria or unreasonable limitation on their numbers. The proposal does not, however, call for any harmonisation of higher education systems in the EEC countries.

A companion plan, also to be discussed by EEC Education Ministers at the end of November, calls for the establishment of a £2.3m scholarship fund to permit up to 650 students a year to take higher education courses in other parts of the Community.

Indian threat to Boeing over pay-offs

By D. P. Kumar

NEW DELHI, Sept. 22.

THE GOVERNMENT is sending an ultimatum to the Boeing company in the United States, asking it to supply details of all Indians who received commission money on aircraft sales—should Boeing want to do business in future with Air India and Indian Airlines.

The Ministry for Tourism and Civil Aviation is seeking the payoff details. Unless information is supplied, the Ministry may reconsider ordering any more Boeing aircraft.

The timing of the threat is significant, since an Air India order for three latest model Boeing 747s, worth £150m is awaiting the signature of Mr. Purushottam Kaushik, Minister for Tourism and Civil Aviation.

Boeing is in the running for even bigger orders, as Air India neds seven more aircraft during the Sixth Plan period, while Indian Airlines is thinkinp of five more 737s.

Tindemans call on currencies

TOKYO, Sept. 22.

MR. LEO TINDEMANS the Belgian Prime Minister has called for the creation of three major "monetary zones" throughout the world as a first step towards restoring stability to the international monetary system.

In an address to the Japan Institute for Foreign Affairs he said the present world system of floating rates is obviously inadequate because it allows for excessive exchange rate changes which upset international trade and are one cause of the present world economic crisis.

It is not realistic to assume the problem can be solved in the foreseeable future by a return to a world system of fixed currency parities, he said.

Mr. Tindemans envisaged three main zones of currency stability, a European zone, a Japanese yen zone and a U.S. dollar zone. It would be necessary, he said, to reduce to a minimum exchange rate fluctuations between the three zones, while achieving a high level of economic activity through improved co-ordination Reuter

Further easing of monetary restrictions in Italy

BY PAUL BETTS ROME, Sept. 22.

IN LINE with the gradual relaxation of monetary restriction in Italy, the obligation of commercial banks to subscribe part of the increase in their deposits in certain types of government bonds has been sharply reduced.

The decision by the inter-ministerial committee for credit and savings to reduce this obligation from 30 per cent to 6.5 per cent during the last half of the year coincides with a substantial improvement in Italy's overall balance of payments position, which in the first eight months of this year recorded a sizeable surplus of about L4,900bn.

However, to guarantee funds for the Government's public works programme and for the agricultural sector, commercial banks will have to invest at least 2 per cent of the total increase in their deposits in bond issues destined for these key areas.

Although this latest move is unlikely to have a drastic effect since restrictions on credit expansion still remain, it will give greater flexibility to the banking system. It is also expected to stimulate greater competition on bond issues and will probably halt the current downturn on bond returns.

Restrictions on credit expansion were renewed at the end of July until the end of March 1979 and they are unlikely to be eased until the monetary authorities are convinced that the Governments medium-term economic recovery programme is taking concrete shape.

Current credit restrictions, which one not always upheld, limit the increase of the total credit in lira offered by the banking system to 6 per cent by the end of this month, 7 per cent by the end of November, 13 per cent by the end of January 1979 and 14 per cent by the end of March 1979.

The credit and savings committee has also appointed chairmen of a number of leading banks and savings institutes following months of negotiations between the political parties supporting the minority Christian Democratic Government.

This sees Sig. Nerio Nesi, a Socialist, at the head of the Banca Nazionale Del Lavoro, the country's largest commercial bank in terms of assets, the Social Democrat, Sig. Luigi Coccioli, at the Istituto San Paolo Di Torino, the Christian Democrat Signora Emanuela Savio at the Cassa Di Risparmio Di Torino, Sig. Rodolfo Banfi an independent with the support of the Communists at Mediocredito, and the Christian Democrat, Sig. Remo Cacciafesta, at the Cassa Di Risparmio Di Roma.

Swiss prepare new measures to offset rise in franc's value

BY JOHN WICKS ZURICH, Sept. 22.

THE SWISS Government and the country's national bank are very soon to give details of new steps to counter the sharp rise in the Swiss Franc exchange rate. This was announced by Economics Minister Fritz Honegger in Berne today at the annual Swiss bankers' congress.

The Government, said Mr. Honegger, was deeply concerned at the monetary situation. Uninterrupted upward pressure on the currency had led to a trade-weighted revaluation since last August of a nominal 40 per cent against currencies of the 15 major trading partners. The exchange rate, said the Minister, is currently the biggest economic problem in Switzerland, with the relative devaluation of the mark becoming more and more the real burden for Swiss business.

After the very gratifying economic growth in 1977, the currency situation made it doubtful whether any expansion at all would be possible this year. All branches of industry were reporting a decline in foreign orders, the domestic market was experiencing an increasing import pressure and it was possible that Switzerland would in 1978 prove to have the biggest rise in import value of any OECD country, Mr. Honegger claimed.

As to the nature of future Government policy, the Minister said that "no spectacular bundle of measures" would be presented. It would be premature to introduce large-scale economic stimulation measures or traditional work-creation programmes. Attempts would be aimed rather at providing certain reliefs for the economy by acting forcefully in the monetary sector and introducing new elements of export policy and some other measures.

The Swiss Government, he said, was aware that protectionist measures would prove disadvantageous for Switzerland and probably lead to retaliation abroad.

● Swiss gross national product last year reached a nominal level of SwFr 151.74bn (£50.58bn), according to provisional figures released by the Government in Berne. The growth rate then increased from 1.8 per cent to 3.1 per cent in absolute terms. After price weighting, the 1976 real-terms decline by 0.6 per cent turned into an actual rise last year of 2.7 per cent.

Call to boost World Bank funds

BY PETER RIDDELL, ECONOMICS CORRESPONDENT MONTREAL, Sept. 22.

COMMONWEALTH FINANCE Ministers late last night pledged themselves at the end of their two-day meeting to support a substantial increase of about $40bn in the capital resources of the World Bank.

The Ministers from 37 countries called for an early conclusion to talks about the future activities of the Bank, seeking an end to negotiations by next January. They also proposed an early general increase of at least 50 per cent in the quotas of the International Monetary Fund.

These formed central themes of an eight-page communique issued by the Ministers at the end of the meeting. This consisted of a mixture of the views of both the industrialised members of the Commonwealth, notably the UK and Canada, and the opinions of the greater numbers of less developed countries.

Consequently the communique included both a call for a reduction in the large and persistent current account surpluses of certain countries, as favoured by the UK, and a more general appeal for increased financial assistance and support for developing countries.

Other specific issues which are likely to be taken up as they travel to Washington for the meetings of the IMF and World Bank are likely to include a series of proposals for expanding the resources of the IMF. The communique called for a new issue of Special Drawing Rights during the coming fiscal year and the adoption of further measures to promote the role of Special Drawing Rights as a principal reserve asset in the international monetary system.

The Ministers also renewed their call for the IMF to review the conditionality associated with the use of its facilities "which should be flexible and responsive to economic, social and political realities."

Bill to increase airline freedom

BY STEWART FLEMING NEW YORK, Sept. 22.

THE HOUSE of Representatives has voted 363-8 in favour of a Bill aimed at reducing federal Government regulation of airlines.

The vote is another legislative victory for President Jimmy Carter, who has been backing airline de-regulation, partly on the grounds that, by promoting competition and reducing fares, it would be anti-inflationary.

Under the House Bill, each airline could add one new route in 1979 without prior Civil Aeronautics Board (CAB) approval and could cut fares by up to 25 per cent in the first year and as much as 50 per cent from the original level in the second.

The Senate has already passed a stronger version of the de-regulation Bill, but no difficulty is expected in reaching a compromise between the two proposals. The House Bill includes a clause which would lead to the abolition of the CAB at the end of 1982 unless it can justify its activities.

The CAB, under its chairman, Mr. Alfred Kahn, who was appointed by President Carter, has been using its regulatory authority to give airlines greater flexibility in pricing. But advocates of the de-regulation Bills want to ensure that such flexibility is a matter of law so that these policies could not be reversed by a change of leadership at the agency.

● Eastern Airlines said today that it is cutting its first class air fares on all U.S. domestic flights by 4-8 per cent from November 15. The lower reductions will apply to flights of 799 miles or less, the 8 per cent cuts to longer flights.

Canada post strike begins

BY VICTOR MACKIE OTTAWA, Sept. 22.

POSTMEN WALKED off the job on Friday in Toronto and several other cities, slowing down the national postal service because Toronto is a major clearing house for Canadian mail deliveries.

Last-ditch talks between the Government and the Letter Carriers Union of Canada (LCUC) to avert industrial action broke down late on Thursday and the rotating strikes started at midnight in Toronto, St. Johns, New Bunswick and Regina.

No further meetings are scheduled between the Government and the union's negotiating committee. Both sides indicated the strike could be lengthy unless the letter carriers are ordered back to work by Parliament, which is scheduled to resume on October 10.

The Post Office has offered a 6 per cent increase with a cost of living allowance in a one-year contract plus a 4.2 per cent raise back-dated six months. The union wants an additional 19 per cent increase, which was disallowed when wage and price controls were introduced in 1975.

JAPANESE PARTY POLITICS

Nakasone makes his move

BY CHARLES SMITH, FAR EAST EDITOR

MR. YASUHIRO NAKASONE, leader of the fourth largest faction in Japan's ruling Liberal Democratic Party (LDP), virtually declared his intention of running for the party presidency later this year at a faction meeting held last night.

Mr. Nakasone's emergence as a candidate means that there are now certain to be three contenders for the presidency, a post that automatically brings the job as Prime Minister if the ruling party is returned to power. The other two contenders are Mr. Takeo Fukuda, the Prime Minister, who will be seeking a renewal of his two-year term as party leader, and Mr. Masayoshi Ohira, secretary-general of the LDP.

A fourth candidate, Mr. Toshio Komoto (Minister of International Trade and Industry and a member of the LDP faction headed by ex-Premier Mr. Takeo Miki) could still emerge.

The LDP president will be chosen by a new two-tier election system starting with a month-long primary (in which all 1.5m members of the party can vote) and concluding with a run-off in which only two candidates will compete. Voting in the run-off election, which is likely to be held near the beginning of December, will be confined to members of the Diet (Parliament).

Mr. Nakasone is believed to have little or no chance of gaining first or second place in the primary election but may still strengthen his position in the party if he comes a respectable third after the two main presidential contenders. If he drops out of the race after the primary results are announced, Mr. Nakasone is expected to throw the support of his faction behind Prime Minister Fukuda in the hope of being rewarded with a senior position in the post-election Cabinet.

Mr. Nakasone undoubtedly also sees himself as a serious candidate in the next (1980) LDP presidential election, at which Mr. Fukuda will not be competing. Participation in this autumn's electoral race, even without any hope of winning, would be a way of making this point.

Mr. Nakasone has been a key figure in the in-fighting for the LDP leadership since the party presidential election of 1972 when an unexpected shift of position by his faction helped to put Mr. Kakuei Tanaka in power. Mr. Nakasone held a series of major posts in the Tanaka Cabinet and went on to become party secretary-general under Prime Minister Miki. His career received a severe check in 1976 when his name came up in investigations into the Lockheed bribery scandal. The effects of this on his popularity may be starting to wear off.

Freddie Mansfield

Mr. Nakasone: Key figure in the in-fighting.

Mr. Nakasone's opponents regard him as an incurable opportunist, citing his sudden shifts of affiliation within the party and the "adaptability" of his political views. Since the beginning of this year his statements on foreign policy and defence issues have sounded increasingly hawkish, which means that they are likely to have appealed to some of the more right-wing members of the faction presided over by Prime Minister Fukuda. Mr. Nakasone has been more cautious than most LDP leaders in welcoming the recently signed Japan-China Treaty of Peace and Friendship

Move to relax controls on trade with Chinese

BY OUR OWN CORRESPONDENT TOKYO, Sept. 22.

JAPAN WILL make "maximum efforts" to achieve a relaxation of strategic embargoes on exports to communist countries at a meeting of Cocom (Co-ordinating committee for export control) to be held in Paris on October 2.

The Japanese delegation is expected to propose the removal of over 50 items from the Cocom list. Many of the items are those which Japan hopes to export to China as part of the recently negotiated Sino-Japanese trade agreement, which provides for Japan to supply modern industrial plants in return for Chinese oil and coal.

Cocom restrictions are delaying the conclusion of negotiations on three proposed Japanese plant exports to China: the supply of transistor plant (by Toshiba), an advanced numerical control system in the Shanghai steel works (to be masterminded by Nippon Steel), and a computer factory to be supplied by Hitachi, NEC or Fujitsu.

Japan is concerned about the Cocom problem because of the extremely important role which the Chinese market now plays in helping Japanese plant manufacturers maintain export levels. In 1977 Japanese plant sales recorded a modest growth of 7.5 per cent (in dollar terms) after several years of much faster expansion. This year sales to markets other than China have been running at only about 80 per cent of 1977 levels.

The Japan machinery exporters association believes that Chinese plant orders could add $68bn worth of orders to the $5bn worth which Japan has so far secured from elsewhere, provided some recently secured orders do not get bogged down in Cocom red tape.

Optimism about the outcome of the Cocom meeting is based on the belief that the U.S. also has an interest in relaxing strategic controls on exports to China, both for general political reasons and because some influential U.S. corporations are themselves trying to sell sensitive items to the Chinese.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscriptions $365.00 (air freight) $485.00 (air mail) per annum. Second class postage paid at New York, N.Y.

HOME NEWS

Industrial instability threatens West Midlands

By Our Midlands Correspondent

THE WEST MIDLANDS, denied the freedom to recruit new companies, is "on the verge of industrial instability," according to Dr. Joseph Pope, chairman of the region's Economic Planning Council.

The evidence was indisputable that the region was performing badly, even by the unpromising standards of the national economy, he told the Staffordshire Development Association, at Stoke, yesterday.

A review of the output of some broad groups of manufacturing showed that the areas most important to the region were, at best stagnant, and at worst, in sharp decline, he said. Several manufacturing industries had shed one-third of their labour force over the past 10 years.

Self-inflicted

"To complete the picture of a sagging regional economy, we know that the West Midlands has been slipping in the productivity, earnings, and personal income leagues.

"Between 1971 and 1978 the rise in income from employment in the West Midlands was the lowest of any UK region."

The region had suffered from "self-inflicted wounds, especially in industrial relations." Local industry had also responded relatively slowly to foreign competition and technological innovation.

The Government had to take some responsibility for denying the region the chance to develop new industries.

"In fact, by deliberate Government policy, the West Midlands has been denied the freedom of evolution to adapt itself to changing industrial circumstance and demand, to such an extent that it is now on the verge of industrial instability." For the region to be saved, the Government should remove restraints immediately.

Remedies

The West Midlands was being squeezed on one hand by regional aid policies which favoured Scotland, the North and Wales. On the other hand, the concentration of power in central Government had produced national social and economic forces which gave the South-East an advantage.

Dr. Pope cited the example of Government research and development facilities. Of the 80 establishments only one was in the West Midlands and 43 were in the South-East.

Among remedies was the need to return decisions to the Midlands. Too many companies with important plants in the region had head offices in the City.

There should be more delegated power to regional managers of clearing banks and the establishment of a local office of the National Enterprise Board.

"I get the impression that the Government is over-confident about the resilience of the West Midlands. But economic instability is alarmingly near for the region and surely it must be wiser for the Government to act now rather than to let things drift until Birmingham is another Liverpool and Coventry becomes another Jarrow."

'Bad' work record brings ban

Financial Times Reporter

A GERMAN-owned company in Cheshire which is expanding and hiring an extra 200 employees, is refusing to take former workers from two large companies in the area because of their record of industrial disputes.

Employees from International Computers and Metal Box have been black-listed by Based Engine Company, part of the Bauer combine, and the director of the company Mr. Richard Prestt, said: "I would not touch them with a barge pole."

International Computers yesterday denied that its Winsford plant had a poor industrial record. The only dispute this year had come on two particularly hot summer days when several employees refused to work. The Winsford plant makes computers mostly for export.

Metal Box admitted that it had been through a "difficult year," but refused to comment any further on Mr. Prestt's claim.

Crane crashes at McDermott platform yard

By Sue Cameron

A 400 foot crane—said to be worth £8m—crashed to the ground at the McDermott oil platform yard in Ardersier near Inverness yesterday.

None of the men working in the yard was hurt, but McDermott is faced with the problem of meeting delivery dates for the two platforms being built at the yard.

One platform, for Petrobras, the Brazilian state oil company, should be completed by mid-November. The other, for Conoco, is due for delivery early next year.

The crane that collapsed was built in Germany and McDermott said that it was the only one of its kind in the world. It could take weights of up to 1,800 tonnes and was being used for the exceptional lifting needed to build the giant platforms.

Mason turns down 'troops out' call

BY STEWART DALBY

MR. ROY MASON, the Secretary for Northern Ireland, yesterday answered the small but increasing calls by politicians and newspapers for withdrawal of British troops from Ulster.

Any pull-out now, he said, would lead to sectarian violence on un unprecedented scale. The Government's intention, was to keep soldiers in Northern Ireland "in the numbers appropriate to the security situation."

Mr. Mason, speaking in his Barnsley constituency, added: "It is right for them to be there, to provide assurances to the community as a whole.

"The security police is now more widely acceptable to the community than ever before. Business confidence is now being rebuilt, and new investment is being made in the province."

His rebuttal of withdrawal demands coincided with an increase in violence in Northern Ireland.

Mr. Mason said that the aim of the IRA was a military takeover of Northern Ireland. "Suppose the troops were pulled out? What would be left behind? There would be a surge of violence from the IRA, who would scent victory. There would be rapid retaliation by other para-military organisations leading to sectarian violence on an unprecedented scale."

Then, turning to a theme which has characterised his two-year stint as Northern Ireland Secretary Mr. Mason said that the increasingly non-sectarian Royal Ulster Constabulary was more and more taking over the security role from the Army.

Mr. Airey Neave, Opposition spokesman on Northern Ireland, said yesterday that he was seeking an urgent meeting with Mr. Mason to discuss a common response by Government and Opposition to those who sought to undermine the bipartisan policy of keeping troops in the province.

People should be made aware of the implications of a withdrawal.

He asked whether those calling for such a move wished Ulster to become another Lebanon.

The pressure for withdrawal did not come from responsible people but from "armchair critics elsewhere who stay away from the front line or wish to stimulate newspaper sales."

Any increase in violence causes concern to Mr. Mason since, apart from anything else, it can jeopardise his attempts to attract foreign investment to the province as a panacea for Northern Ireland's unemployment problem. Figures released this week put the province-wide jobless total at 13.5 per cent.

Mr. Mason and officials have tried to attract foreign investment using massive subsidies and grants as bait.

They have had some success, notably in the plan by Delorean Motors to build a sports car plant in West Belfast and the establishment of a seat-belt plant by General Motors in the province. The latest effort is a projected visit by Alderman David Cook, Lord Mayor of Belfast, to New York, scheduled to start on Thursday.

Mr. Mason has spent the last few days seeing politicians from the parties in Northern Ireland an attempt to restart talks to bring back some form of local or regional Government.

Welsh nationalists reject poor show in opinion poll

BY ROBIN REEVES

A sharp decline in support for Plaid Cymru, the Welsh nationalist party, is shown in a public opinion poll published by BBC Wales in Cardiff yesterday.

The poll found that only 5.8 per cent intended to vote Plaid Cymru at the next General Election, compared with 11.2 per cent in the BBC's last poll in May and Plaid's 10.8 per cent in the last General Election.

The poll's findings were immediately rejected by Plaid Cymru. Mr. Dafydd Williams, the party's general secretary, said only a fortnight ago they had captured a seat on Arfon Borough Council with 62 per cent of the vote. The party had also more than held its ground in recent local council by-elections in South Wales.

The pollsters stressed that the party's strength tends to be concentrated in certain areas, and therefore the random sample of 1,000 voters in Wales would not necessarily show the full extent of its support.

The Liberals had only 4.1 per cent support in the poll, compared with 3.8 per cent last May, and 15.5 per cent in the last general election. It confirmed the trend of other UK-wide opinion polls.

The Conservatives are able to gain most comfort from the poll. It gives them 37.5 per cent of the vote compared with 33.9 per cent last May and 23.9 per cent in the 1974 general election.

Labour support is slightly up, with 52.1 per cent saying they would vote Labour compared with 50.7 per cent in May and 49.5 per cent at the last general election.

A question on the devolution referendum revealed a hardening against the proposed Welsh assembly.

In May those for and against the assembly were evenly matched, but a large number of "don't knows" have now come out against it. The poll found that of the 68.8 per cent of the electorate who intend to vote in the referendum, 47.7 per cent would be against and only 37.8 per cent in favour.

Fisons opens salmon farm

BY SUE CAMERON

FISONS OPENED an Atlantic salmon fish farm at Tayinloan, in Argyll, yesterday. It will make the company one of the largest producers of farmed salmon in the UK.

The new farm is expected to yield 250 tonnes of fish annually, providing its first harvest next year. Construction and development has cost £1.25m. The Highlands and Islands Development Board has contributed a £200,000 grant.

The world market for salmon is estimated at 15,000 tonnes a year, the chief demand being for smoked salmon. World production of farmed salmon is thought to be in the region of 2,000 tonnes a year, and 80 per cent of this output comes from Norway. Almost all the rest comes from the UK.

Atlantic salmon are normally farmed in floating cages in the sea, but Fisons is using a new land-based process of its own. The fish are kept in 10 interconnected tanks supplied with sea water through four 24 in diameter pipes run out into the sea.

The low rise and fall of tides at Tayinloan makes it comparatively cheap to pump water ashore there.

Fisons says that its land-based farming process has a number of advantages over traditional methods, including more efficient use of feed, better control of the fish and a reduced risk of stock being damaged by storms or other hazards. The company believes these three things will outweigh the cost of pumping sea water to the fish tanks.

Opening of the farm marks another step in Fisons' planned diversification into businesses not based on continuous and intensive research. Its main areas of operation are agrochemicals, fertilisers and pharmaceuticals. Last year Sir George Burton, the group's chairman, said that its policy would be to go into fields which did not require such high research costs.

*Although the group did under*take research and development work into the process used at Tayinloan fish farm, it felt that this was a one-off item of expenditure. Now that the farm had been established further research would be unnecessary.

Motor-cycle sales revive after moped setback

BY KENNETH GOODING

MOTOR-CYCLE registrations last month rose by 5.9 per cent to 36,092 compared with August last year.

In the first eight months sales fell 17.8 per cent to 159,184 because of the large drop in registrations of mopeds (under 50 cc bikes) after introduction of a limit on the maximum speed in August, 1977.

Registrations of mopeds were 49.8 per cent below the eight-month total for 1977, at 36,590.

In the same period sales of over-50cc bikes rose marginally to 122,594, said Department of Transport figures released yesterday.

Now that the distortion in sale figures caused by the speed limit on moped engines is out of the way, it is possible to see that the trend from a lower base is upward. In August alone registrations of mopeds rose from 7,538 to 8,767.

Fares bid

NORTHAMPTON Borough Council is to ask the Traffic Commissioners for permission to increase town bus fares by up to 2p for longer journeys. The extra £200,000 a year would help offset a loss of more than £200,000 last year.

£40m mine plan to boost jobs

BY RAY PERMAN, SCOTTISH CORRESPONDENT

WORK IS to start this year on a £40m project to drive a new shaft under the Firth of Forth to mine 50m tons of coal.

Mr. Alex Eadie, Energy Minister responsible for mining, said yesterday that the development would secure employment and production from Scottish coalfields into the next century.

An additional 60 jobs would be created immediately, rising to more than 500 in the first full year of output in 1986-7.

The project involves tunnelling 2.5 miles from the Monktonhall colliery in East Lothian under the Forth in Musselburgh Bay, to link up with a new mine to be constructed from Musselburgh.

The National Coal Board has applied for planning permission to sink a new shaft in Musselburgh, on the site of a former gas works. This will be used for ventilation and transporting men underground. Coal from the new seams will be extracted through Monktonhall.

Musselburgh residents have protested about the plan, but it is thought unlikely they will hinder it materially. Preliminary underground work can go ahead without planning permission.

Mr. Michael McGahey, president of the Scottish area of the National Union of Mineworkers, welcomed the investment as a demonstration of the government's and the Coal Board's confidence in the industry.

In response, three unions representing miners, craftsmen and colliery officials in Scotland are to launch a joint campaign to increase productivity and output, particularly by trying to curb unofficial walk-outs.

The national incentive scheme, introduced in Scotland at the beginning of the year, has increased productivity by 2.5 per cent.

Mr. McGahey said: "I want to see higher earnings, but also higher productivity and an increase in output. I am not satisfied we are getting the full benefit out of the incentive scheme at this stage, but we are making improvements."

Sweetmakers face growth problems

BY OUR CONSUMER AFFAIRS CORRESPONDENT

GROWTH IN the £1.5bn confectionery market is likely to slow down in the 1980s, according to a new market survey.

The survey, by the Jordans group, covers 110 companies in the chocolate and sugar confectionery industry. It says that since the UK already has the largest per capita consumption of sweets in the world, a position of market saturation must soon be reached.

It also points to the falling birth rate and greater public concern over dental health and child obesity as factors which may limit market growth.

This pessimistic view of the market was unlikely to become apparent until the 1980s at the earliest. Recent financial results from the larger companies in the industry—Cadbury Schweppes, Rowntree Mackintosh, and Mars—had been very satisfactory, and "1978 seems set fair to be another good year for confectionery."

The total market, one of the largest packaged goods markets in the UK, was likely to reach retail sales of £1.5bn this year. Last year, sales were just under £1.4m.

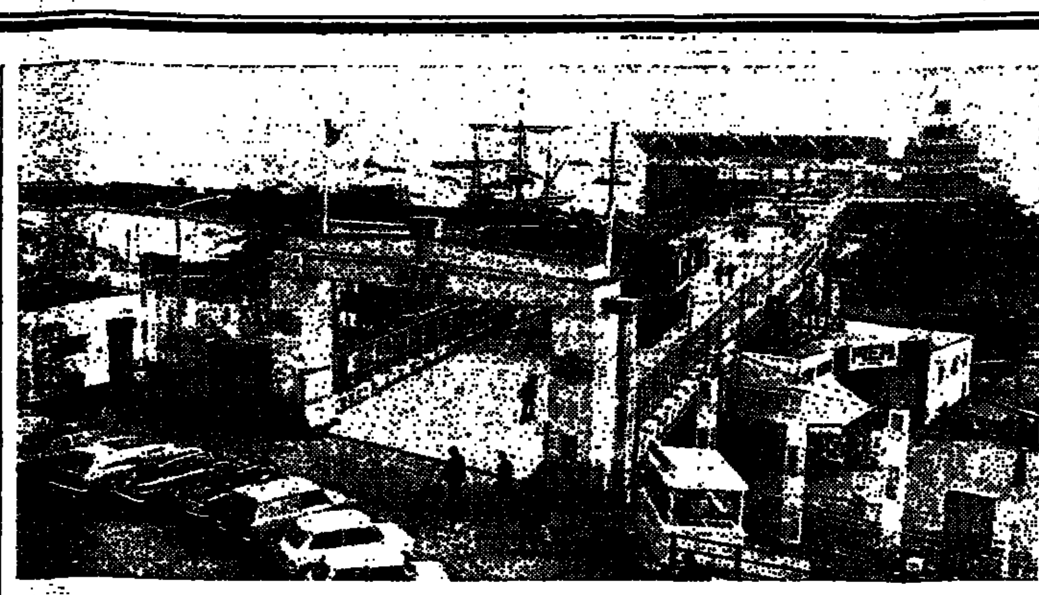
The volume trend was recovering from the low point of 1975, when the rapid rise in cocoa prices hit chocolate consumption. This year tonnage should recover from the 1975 level of 622,000 tons to about 665,000 tons.

While sugar and chocolate confectionery were fairly equal in terms of volume, chocolate was the more important in value terms. Chocolate sales were expected to reach £950m in 1978.

Because of the dominance of the three main manufacturers in the industry, it was not expected that they would attempt any substantial growth by acquisition to counter a static market. Any takeovers could bring the companies involved under scrutiny by the Monopolies and Mergers Commission.

The outstanding company performance according to the survey was Lion Confectionery, a West Yorkshire company. In the last four published accounts, the company's profitability ratio has not been lower than 23 per cent.

* The British Confectionery Industry, published by Jordan Surveys, Brunswick Place, London, N1. Price £60.



Southend Pier—the longest in the world

Docks loan plea puts Rodgers on spot

By Our Industrial Staff

THE GOVERNMENT is again on the spot over the future of London's troubled Upper Docks after a surprise request by a joint union-management committee for new investment.

An official request for a Harbours Act loan of about £1m for mobile equipment for the Upper Docks is already with Government and a reply is expected shortly.

Although the sum involved is not significant, the issues involved in the application are of some importance.

The Port of London Authority wanted to close the heavily loss-making Royal Docks section of the port's up-river facilities, but was prevented from doing so by Mr. William Rodgers, the Transport Secretary in what the PLA's management saw as a pre-election peace-keeping operation.

If Mr. Rodgers agreed to the investment it would almost certainly be followed by more requests and he would be placed in the position of funding investment in a facility which the port's management strongly feels to be surplus to requirements.

Investment at the Royal Docks has been badly neglected for some time because of their uncertain future.

Formula

If Mr. Rodgers refused the loan, it would be regarded by the unions as signalling lack of faith in the docks' future.

The request for investment came directly from a joint PLA-union committee which has been attempting to work out an agreed formula, probably involving the loss of more than 2,000 jobs to be put to Mr. Rodgers by the end of the month. The investment proposal apparently has not been considered by the PLA board.

Although this committee has covered a good deal of ground, it has not yet reached agreement on the level of manpower reductions.

Mr. Rodgers, has said that without an agreed and costed plan involving rapid manpower reduction and re-organisation, a £35m grant for redundancy payments and another £10m loan capital would not be forthcoming.

Without Government cash, the PLA board will be unable to continue trading legally and will probably be forced to put the port into receivership and seek reconstruction from that base.

Restoration would add £25m marina to longest pier

BY MICHAEL CASSELL

SOUTHEND PIER, the world's longest pleasure pier, whose seaward end has stood blackened and twisted since a mysterious fire two years ago, could soon be given a new lease of life.

Southend council is due to consider approval of a report prepared jointly by its officers and Taylor Woodrow which would restore the pier, now about 100 year old, to its former glories.

A scheme proposed would provide a £25m marina and see the pier totally restored and re-opened to the public. The cost of the pier works is uncertain. The last estimate for renovation was about £4m.

The pier, which is 1½ miles long, has been partially closed to the public since 1976, when a strong westerly wind fanned flames that destroyed the buildings and entertainment facilities at the seaward end. Damage was put at £2.5m.

It is hoped that a revitalised pier would take on the Victorian atmosphere of its early days, with the present electric railway, which runs the full length, replaced by a period steam train to link the pier head with the new, 700-mooring marina.

Buildings on the pierhead would be in Victorian style.

In its heyday the pier attracted up to 6m visitors a year. Many landed on it by Thames steamer and enjoyed a horse-drawn train ride to the sea front.

During the war the pier was taken over by the Royal Navy and used as a marshalling point.

An indoor all-weather activity centre, a 250-bedroom hotel, a conference centre and shops are planned for the marina.

The new railway could be operational by 1980, with the marina coming into use by 1985.

The council is hoping to attract private investors to back the plans, and says it has already had approaches from interested parties.

August brick output up but deliveries down

BY OUR BUILDING CORRESPONDENT

BRICK PRODUCTION last month rose, although deliveries fell back, according to provisional figures from the Department of the Environment.

Manufacturers produced 391m bricks in the month against 371m in July and 392m in the same month last year. In the three months to the end of August output was 1 per cent higher than in the previous quarter, but 5 per cent down on June-August last year.

Deliveries last month were 441m (455m in July and 414m a year before). In the latest three-month period, they were 5 per cent above the previous quarter and 6 per cent on the corresponding period last year.

Brick stocks on the ground at the end of August were 670m, a fall of 51m from the month before and 94m from August 1977.

Cement deliveries in the UK averaged 287,000 tonnes a week in August, against 315,000 tonnes in July and 285,000 tonnes in August, 1977.

Lifeboat for trapped divers is launched

FINANCIAL TIMES REPORTER

THE FIRST UK-designed lifeboat for divers trapped in decompression chambers during an oil rig fire or blow out has been launched by Comex Diving, a British company based at Aberdeen.

The lifeboat can take 16 divers at a time and can keep them alive, at the correct pressure, for up to 48 hours.

It cost £90,000 to build but Comex says this sum includes research costs and subsequent models should be cheaper. The newly launched vessel will be used on a semi-submersible construction barge in the North Sea operated by Houlder Brothers and Comex.

North Sea divers spend between two and seven days in decompression chambers before they can safely return to normal air pressures. The length of time depends on the depths at which they have been working. In the event of a disaster such as fire or, in the case of ships, a collision with another vessel, they cannot be rescued by an ordinary lifeboat or helicopter because sudden decompression could kill them.

The Comex lifeboat, which was built and designed in the UK, includes a radio beacon and rebreather face masks capable of sustaining breathing should the life support unit motor fail.

Government to study drift to towns

FINANCIAL TIMES REPORTER

THE GOVERNMENT is launching a comprehensive programme of research into ways of stimulating the economy of rural areas and of discouraging the drift of young people to the towns.

Mr. Ken Marks, Parliamentary Under Secretary at the Department of the Environment, told the annual conference of National Parks authorities yesterday that among subjects to be studied were the economies of rural communities in the Parks and the impact of primary school closures.

The studies would be carried out by the Countryside Review Committee.

The Government was also tackling the problem through the Development Commission, which planned to spend £15.5m in 1978-79, compared with £6.1m in 1976-77, and aimed to create 1,500 jobs each year in rural areas.

Mr. Marks said: "The research will help indicate how public funds available for supporting rural communities can be used most effectively in the Parks and how national policies inter-act with the interests of local communities."

It was necessary to provide homes and jobs for young people who lived in the National Parks and to get young people to understand and, therefore, care more for the countryside, including those people who came from the towns.

"We have to provide the young with encouraging and enjoyable opportunities, and we also have to help them build up the self discipline which comes from knowing about, and therefore caring about, the surroundings they are in."

Group has plan for 250 jobs

STERLING-WINTHROP Group has applied for planning permission for a research and development centre at Hexham, Northumberland, providing 250 jobs.

The proposal is to convert a *100-year-old 12-bedroomed house* to offices and build laboratories.

Britons for U.S. clean coal research

By David Fishlock, Science Editor

BRITISH COAL researchers signed a contract worth more than $1m in Washington yesterday to carry out critical experiments for the next eight months on clean, fume-free burning of American coal.

The contract, between the National Coal Board and the U.S. Department of Energy, provides for a 1,000-hour test run of Ohio coal, high in sulphur, in a pressurised fluidised-bed combustor at the Board's Coal Utilisation Research Laboratories at Leatherhead, Surrey. It was signed by Mr. Raymond Hoy, director of the laboratories.

He has signed another contract with the U.S. electricity supply industry, worth about $500,000, for corrosion and erosion studies, using their fluidised-bed combustor.

These contracts require modifications to the Coal Board's experimental facilities in which the area of the fluid-bed coal combustor will be increased by a third.

Shared costs

Britain, the U.S. and Sweden are partners in the attempt to develop a technology based on a pressurised fluid bed process for burning the coal, linked to both gas and steam turbines driving the generators.

Stal-Laval Turbin, a subsidiary of the Swedish ASEA group, has announced that it is entering into "phase two" of a development project for the "combined cycle" system with American Electric Power, a large U.S. electrical utility. Their aim is to develop a 170MW demonstration power plant based on the new technology.

Babcock and Wilcox is providing the pressurised fluid-bed combustion technology through Stal-Laval.

Probe into Marley price rise

AN INCREASE of 4.5 per cent in the price of concrete roof tiles and fittings proposed by the Marley Tile company is to be investigated by the Price Commission.

The investigation is due to be completed by the end of the year and will be carried out under section 4 of the Price Commission Act, 1977.

Jaguar recalls 6,500 cars over dipsticks

JAGUAR CARS is recalling 6,500 Jaguar XJ and Daimler saloon six-cylinder automatic models in the UK to fit a modified transmission oil dipstick, it was announced yesterday.

"Service reports have shown that in certain operating conditions, if the dipstick is not correctly located, oil can spill from the retention tube if the gearbox has been overfilled," BL said.

"Cars affected were built during the period August, 1977, to March, 1978, and owners will be receiving direct notification from the company during the next two weeks. The action required takes little more time than it does to open and shut the bonnet and is free." Only cars with automatic transmission are involved and 12-cylinder cars are not affected.

Ford workers in 5% clash claim share of profits

BY ALAN PIKE, LABOUR CORRESPONDENT

APRIL the Ford Motor Comny announced that its pre-tax ofits had risen from £121.6m 1976 to £246.1m last year.

A few weeks later, representaves of the company's 57,000 anual workers met in Coventry, d drew up the claim for £20 week increases and a range of her improvements which had yesterday made Ford the first ttleground of the Government's ase Four pay policy.

The union's justification for the aim was simple—it was based the company's ability to pay. his was in line with the freently stated view of Mr. Moss vans, the new general secretary the Transport and General orkers' Union, who made his putation as leader of Ford egotiators, that ability to pay ould be the basic criterion for egotiations in the coming year.

Another figure from Ford's 977 results became even more otionally imprinted on the inds of employees than the oubling of profits. They saw at the salary of Mr. Terry eckett, Ford chairman, had isen from £30,457 to £54,843.

In canteen conversations at agenham and Halewood, this as treated as categorical conrmation that the company was oing well, and, by the time egotiators arived to hear Ford's eply to their ambitious pay laim on Thursday, they were reeted with cries from demontrators like "We helped make he profits, now we want our fair hare."

Neither Ford management nor nion leaders were under any llusion that it would be easy to ell a package based on the Government's 5 per cent. pay guidelines. This is why the company, departing from previous practice, included the offer of productivity talks to sweeten the 5 per cent.

Even so, negotiators on both sides left Thursday's meeting knowing that there was a danger of an outbreak of unofficial industrial action.

They must, though, have been surprised by the extent of the reaction. By the time negotiators met to consider their formal response to the offer yesterday morning, many of Ford's 23 plants were coming to a rapid standstill as employees joined unofficial walkouts. After a vain attempt on the telephone to persuade the company to move from 5 per cent, the negotiators bowed to the reaction of their members and called for an official strike.

It is an open secret that Ford management has been made directly aware of the importance which the Government attaches to the 5 per cent guideline. Mr. Paul Roots, employee relations director, made a point of stressing to the unions on Thursday that the Government could apply sanctions which might affect employment prospects.

The £80m South Wales engine plant now being built and due to be completed in 1980 is generally considered to be immune from possible sanctions. The most direct way in which the Government could hit Ford would be through the large orders the company receives for supplying vehicles to public services—although this would raise the question of whether the Government could meet its needs from other British car factories.

The Government's need to see Ford settle within the phase four guideline is clear. Coming so early in the pay round the Ford agreement is always regarded as something of a pace-setter, even in quiet years.

In the public sector, where the Government has a direct interest, leaders of local authority manual workers are talking about industrial action on a claim of similar dimensions to that at Ford. The Government's chance of holding the line among this 1m-strong lower paid group of workers will be much reduced if there has already been a breach of the guidelines at Ford.

Ministers remember last year when Ford eventually settled at about 12 per cent—although the company argues that this was at a point when the 10 per cent was regarded as an average figure.

Although Ford caused displeasure by going up to 12 per cent last year, the settlement proved lower than many productivity-based deals later in the wage round, and this is adding to the militancy of the Ford workers.

Present earnings of the biggest grade of production workers are £79.33 for alternate day and night shift weeks.

No one will ever know for sure what Ford would have offered on Thursday if it had not been forced to take account of the 5 per cent guideline. Apart from the obvious influence of pay policy, the company has a reputation for hard bargaining, and the unions made little progress on most of the non-pay aspects of their wide-ranging claim.

The company was particularly dismissive of the demand for a phased reduction to a 35-hour working week, with Mr. Roots, referring to a "very serious defect" in the union sides thinking on this increasingly central aspect of pay claims.

Mr. Roots pointed out that there was no mood to reduce working hours in Japan, and that what had happened to the motor cycle and television tube industries in Britain could also happen with cars.

If the company reduced the working week by five hours, he said, it would lose ten hours' productive capacity each week on a two-shift system. He told the unions: "On the assumption that actual hours are reduced, there is no way in which these losses can be recovered.

"The company's facilities are already fully manned—indeed overmanned—and manning cannot be increased in the short-term to recover the lost production.

"Therefore, for the same level of wage cost, the company has lost ten hours per week production. In fact, the wage cost is not the same: all the overtime working which will still be needed to maintain the reduced level of output would now be paid at higher rates because of the increase in base rates necessary to provide the same standard earnings in 35 hours as was provided by 40 hours.

"The alternative assumption is that when standard hours are reduced, actual hours remain the same because the overtime hours are increased accordingly. On this assumption, the reduction in the working week will do nothing but put up the labour cost per hour worked."

The lengths to which Mr. Roots went in his efforts to rebut the shorter working week claim demonstrate that Ford will not easily be moved in the non-pay area where the unions would most like to make a breakthrough.

If Ford management has a reputation for hard bargaining, there is no lack of experience on the trade union side.

The annual Ford claim is a highly researched document which the unions publish in booklet form to a wider audience, and in April, when Ford announced its profit figures, shop stewards staged their own counter-presentation on the company's performance.

In this they expressed unease that the company was, in their view, moving towards car assembly in Europe, leaving Britain to concentrate on components and commercial vehicles—a fear which has not completely disappeared in spite of the large investment which Ford is planning in Britain.

The annual Ford pay talks, which frequently include all-night sessions, are a regular meeting between two sides of highly professional negotiators—the very model of free collective bargaining at work around the negotiating table.

The Government's hope has been that free collective bargaining without reference to the 5 per cent, would not prevail in the Ford negotiations this year. The clearly expressed determination of the workforce is that it shall.

Terry Kirk

Mr. Ron Todd, national organiser of the Transport and General Workers Union and leader of the union negotiators, announces the decision to call for an official Ford strike. He is flanked by Mr. Ted Hepple (left), national organiser of the Amalgamated Union of Engineering Workers, and Mr. Sid Harraway, chairman of shop stewards at Dagenham.

Halewood men see long dispute ahead

BY RHYS DAVID, NORTHERN CORRESPONDENT

IN THE STARK council estates which surround Ford's plant at Halewood, Liverpool, a gloomy acceptance set in yesterday that a prolonged dispute could be under way.

The Halewood plant, sandwiched between the main London-Liverpool railway line and the main road south from the city, is only about a mile from BL's Speke plant, which closed this year after a four-month strike. Neither this nor the 100,000-plus unemployment total on Merseyside appears to have caused even a momentary hesitation by the labour force in rejecting the company's 5 per cent offer.

The action of the night shift in storming out when news of the offer came through on Thursday, was quickly followed yesterday by other groups of workers at the plant. By mid-afternoon, when another shift was due to start, it was clear that many men had decided not to turn up.

The spontaneity of the decision seems to have caught even the workers themselves on the hop. With the men's conveners still in London hearing about the company's offer, there was no one yesterday to organise picketing.

One or two delivery vehicles were still arriving and leaving the plant, though it seems likely that by Monday there will be arrangements to try to stop the movement of supplies.

From the workers who had turned up, it soon became clear that the pay policy message which the Government has been preaching for so long not only has little support, but is not always fully comprehended.

The Government's efforts to convince workers that, because inflation is lower, wage settlements should also be lower is greeted with disbelief.

"Last year, when inflation was running at 15 per cent, we were offered a 10 per cent wage rise. This year, when things are supposed to be improving, they are offering us 5 per cent. How can that be right?" was one reaction.

The view taken by the Halewood labour force is that Ford has made a lot of money on its UK operations over the past year, is experiencing a high level of demand for its cars, and can afford to pay.

The inevitability of other groups, including those at BL, claiming similar rises if Ford pays up is seen as somebody else's problem by the Liverpool workers.

"We are not a nationalised company—so why should we have to suffer because of other people's problems," a Ford maintenance worker told me.

"Behind the men's stand is also the belief that, whatever the Government may say about inflation, prices are still going up. Ford themselves put their prices up every three months, but not our wages. The higher prices for vehicles—many of which are bought by other companies—feed their way back to us in higher prices for food and other goods."

Other local prices have been going up, too, another man pointed out. "If we get 5 per cent, that will amount to a couple of quid after tax, and that will be more than offset by the higher bus fares we are now being expected to pay."

The men are relatively sanguine about the prospect of being out on strike for a long period, claiming that the first week is always the worst, but that every week after that is much the same.

The only major reservation expressed by some was over the decision to come out before the end of the present contract, which still has about three weeks to run, and before the period for completing negotiations was over.

Others, however, believe that the instant reaction, by showing their disgust, has greatly strengthened their negotiaters' hands.

Where 57,000 manual workers are employed

FORD EMPLOYS 57,000 manual workers in 23 plants based on 16 sites, with most working in the six plants at Dagenham, east London, and the three at Halewood, Liverpool. The workforces of the plants are:

Dagenham	24,500	Daventry	1,280
Halewood	12,600	Leamington	1,280
Langley	2,000	Belfast	1,140
Southampton	4,100	Dunton	1,000
Basildon (tractor and radiators plants)	3,910	Woolwich	540
		Aveley	380
Swansea	2,100	Croydon	320
Enfield	1,500	Treforest	290

Dagenham, Halewood, Swansea, Daventry and Basildon were hit by strikes yesterday, and men at Belfast were planning to stop work from last night's night shift.

Some of the strikers say they will return on Monday, but the position may change now union negotiators are seeking an official strike.

An indefinite strike by 300 truck drivers will severely disrupt the entire Dagenham complex, and another indefinite stoppage in the Halewood transmissions plant will halt the supply of crucial components to other factories.

Strikers in the Halewood body and assembly plants say they also will stay out indefinitely, making Escort production impossible.

REST OF THE LABOUR NEWS

Talks on hospital dispute

By Our Labour Staff

HOPES OF a break in the hospital works officers' pay deadlock rose yesterday when management and unions agreed to further talks on Tuesday.

But the unions did not respond to a management plea to suspend industrial action which has caused serious disruption to hospital services since the start of this week.

There was no indication that an improved salary scale would be offered to the 3,500 works officers pressing for differential anomalies to be corrected.

They were warned by Mr. David Ennals, Secretary for Social Services, earlier this week that any improvement in the offer may not be acceptable because of the Government's pay guidelines.

Agreement to call another full session of the joint negotiating Whitley council for professional and technical staff followed talks in the Department of Health and Social Security yesterday morning between Mr. Ennals, Mr. Eric Deakins, Under-Secretary in the Department, and Mrs. Rachel Kelly, chairman of the management side.

The Department said yesterday more hospitals were either restricting non-urgent admissions or having to close to all but emergency cases.

The action has received widespread support although only a small proportion of officers are directly affected by the differentials problem.

Cost of Bathgate strike to be counted next week

BY OUR OWN SCOTTISH CORRESPONDENT

MANAGEMENT AT Leyland's Bathgate truck and tractor plant will next week assess the extent of damage caused by the six-week unofficial strike of machinists, which was called off by a mass meeting yesterday.

Nominally there is a £70m order book for tractors, engines and the successful light and medium lorries and vans produced at Bathgate. But a check with distributors will show how many customers are prepared to wait for delivery and how many have gone elsewhere while the factory was closed.

In spite of the vote, which was overwhelmingly in favour of an end to the dispute, work cannot begin again for a week because the factory will be closed until October 2 for the autumn holiday.

There will then be the problem of re-starting assembly lines and getting productivity quickly above the disastrously low 62 per cent achieved this summer.

The plant needs to do at least 13 per cent better than this to break even and the management is looking to a new self-financing incentive scheme, covering all the 5,500 hourly paid workers, to substantially increase output levels.

In agreeing to return to work the 1,500 machinists have abandoned their claim for extra money to operate new machine tools, but the management has also agreed to drop a demand for an undertaking that agreements and procedures would be followed.

Mr. Gavin Laird, executive member of the Amalgamated Union of Engineering Workers, said that the union would not accept a dictatorial attitude from management.

He said the union, which consistently opposed the strike, would be monitoring the productivity scheme and an independent study of grading structures at the plant. There would also be a fair wages claim to bring the factory back into line with other Leyland plants and other employers in the district.

Mr. Laird said that when the factory had settled down, the union would also ask the Board of BL Vehicles to reconsider its decision to cut £32m from the forward investment programme for Bathgate.

Health workers ask for big pay rises in Phase 4 battle

BY PAULINE CLARK, LABOUR STAFF

A PAY CLAIM of at least 40 per cent is being prepared for some 250,000 hospital ancillary workers in a move which will strengthen the battle lines already drawn up over Government pay policy by Britain's 1m local authority manual workers.

The ancillary workers include members of the National Union of Public Employees, which has said that it is preparing for a campaign of action in defiance of the 5 per cent pay guideline.

The group traditionally steps in line with pay settlements reached by the local authority workers who last year agreed on an increase within the Phase Three 10 per cent limit.

This year they have decided to demand a 40 per cent rise and a minimum of £60 a week for the low paid compared with the Government's £44.50 maximum level for exceptions to the 5 per cent limit on increases.

Mr. Charles Donnet, national officer in the General and Municipal Workers Union, said there was a "strong possibility" of disruption to the National Health Service.

The Municipal Workers, the National Union of Public Employees, the Transport and General Workers Union and the Confederation of Health Service Employees plan to submit their claim to management on October 27, at the next meeting of the Health Service ancillary staff council.

Mr. Donnet said that the claim would not be any less than that submitted by the local authority workers and could be more. The management was bound to feel constrained by the 5 per cent pay policy but the unions were "not in the field" for accepting it.

During the next few weeks the unions involved will try to reconcile their differences over the details of the pay claim where COHSE, for example, has called for an £80 minimum compared with NUPE's £60.

Electricians support free enterprise call

BY JOHN LLOYD

The electricians' union has backed the call from the union's general secretary, Mr. Frank Chapple, to end the Post Office's monopoly over the sale of most telecommunications equipment.

The executive endorsed a resolution from the staff section of the Electronic, Electrical and Plumbing Trades Union to "revise Post Office guidelines on the introduction of new private communication systems and equipment."

The union will seek support for the idea from other trades unionists and in Government circles. Mr. Chapple's original call drew an angry response from Post Office unions.

Mr. Bryan Stanley, general secretary of the Post Office Engineering Union, said "the trade unions will not support the return of a part of the public sector into the private sector."

The EEPTU has supported Mr. Chapple because it believes an unrestricted market will generate more sales, and thus more jobs.

Clerical staff back to normal

NEARLY 300 clerical workers employed at the British Steel Corporation's plant at Corby, Northants, ended a week-long unofficial work-to-rule and began working normally yesterday after officials of the Iron and Steel Trades Confederation had threatened to disband their union branch.

The clerical workers earlier had rejected a union order to end the work-to-rule in protest over proposed reductions in manning levels.

More laid off

ANOTHER 150 workers at the Government's Royal Ordnance Factory at Birtley, Tyne and Wear, were laid off last night, bringing the total sent home to 500, because of a strike by 400 examiners in support of a pay claim.

Switch will cost 274 jobs

BY COLLEEN TOOMEY

THE BEAUTY company, Helena Rubenstein, is poised to take on the manufacture, marketing and distribution of Coty products in Britain from January 1 next year. The link will put 274 people out of work.

Helena Rubenstein will expand its Surrey factory to make Coty products, and the Coty factory at Brentford will close. Mr. Crawford Graham, chief executive of Pfizer, Coty's parent company, said yesterday.

Coty has about 700 employees, and some of them will be taken on by Helena Rubenstein which was bought by the Colgate-Palmolive conglomerate five years ago.

The beauty products will remains separate but both companies expect the new venture will improve efficiency.

Threat to £10m canal scheme

DOCKERS' LEADERS are threatening to black all freight on the Sheffield and South Yorkshire Navigation canal.

The threat comes two weeks after the Government approved a £10m modernisation project for the waterway.

The dockers' decision comes in spite of repeated assurances from the British Waterways Board that canal cargo will be handled at the Humber ports.

The Government announcement of modernisation, which involves rebuilding locks and other work along a 22-mile stretch, followed a campaign by local authorities, industry and BWB leaders.

But leaders of the 8,500 Humber dockers fear job losses at Goole and Grimsby if the scheme leads to the reintroduction of containerisation, using purpose-built barges. Such cargo would by-pass the ports en route for Europe, they claim.

The docks have already blocked a containerisation plan for the canal. They hope to get support for any action from bargemen, lockkeepers and lorry drivers.

THE WEEK IN THE MARKETS

Downs and ups

[S]TOCK MARKETS more often [th]an not have good news/bad [ne]ws weeks but it is just possible that the good and the bad [ne]ws of the last few days will [be] pivotal in influencing the [m]arket's development. In the [sh]ort term the bad news on the [in]terest rate front may well [pr]ove to be the dominant factor, [bu]t looking beyond the next two [or] three months it is possible [th]at a decision taken by the [Se]nate Finance Committee to [sl]ash capital gains taxes paid [by] 4.3m investors could bring [a] long lasting injection of [st]rength into equity investment.

Dealing with the bad news [fir]st, there was every expecta[ti]on that short term interest [ra]tes would rise this week after [th]e Fed revealed last Thursday [a] $4.7bn rise in the M1 money [su]pply. The year long trend of [m]onetary growth running substantially ahead of the Fed's [ta]rget has clearly shown no dis[po]sition to change under the [im]pact of progressive credit [ti]ghtening and so it is increas[in]gly clear that interest rates [m]ay have to rise until there is [an] indication that money growth [is] being reined in.

This could well have been one [of] the conclusions of the meet[in]g on Tuesday of the Fed's [op]en market committee which [se]ts the strategy on rates for [th]e month ahead, for on Wed[ne]sday we saw the Fed inter[ve]ning in the money market to

NEW YORK

JOHN WYLES

[b]oost its interest rate target on [f]ederal funds—the economy's [ke]y short term interest rate—[fr]om 8⅜ per cent to 8½ per cent.

Although widely anticipated [th]e move pushed the stock mar[ke]t into its seventh consecutive [da]y of decline and although a [fe]eble bargain hunting rally [go]t under way late in the week, [co]nfirmation that the outlook on [sh]ort term rates is still bleak [ca]me when the Federal Reserve [pu]blished revised money supply [fig]ures revealing that the narrow [m]easure of money supply, M1, [gr]ew at an annual rate in the [fir]st eight months of 8.1 per cent [in]stead of the previously esti[m]ated 7.6 per cent.

Growth rate of the broader [m]easure M2 was revised down[w]ard to 8.2 per cent from 8.4 [pe]r cent. The upper limit of [th]e Fed's target for M1 is 6.5 [pe]r cent and unless it is about [to] change this, which is unlikely [be]cause of the appearance of [so]ftening its stand against infla[ti]on, then further tightening of [th]e credit screw may be in the [of]fing.

While daily movements in the [m]arket are important to the [se]curities industry's bread and [bu]tter, Wall Street was on Fri[da]y morning nurturing a warm [gl]immer of hope about the [lo]nger term outlook. The spark [of] optimism has been lit by the [Se]nate Finance Committee [wh]ich decided to reduce the top [ra]te on capital gains taxes—[fr]om 49 per cent to 25 per cent. This is a more substantial [re]duction than was proposed by [th]e House of Representatives [an]d very largely gives the [se]curities industry the reduc[ti]ons it has been campaigning [fo]r since the early spring.

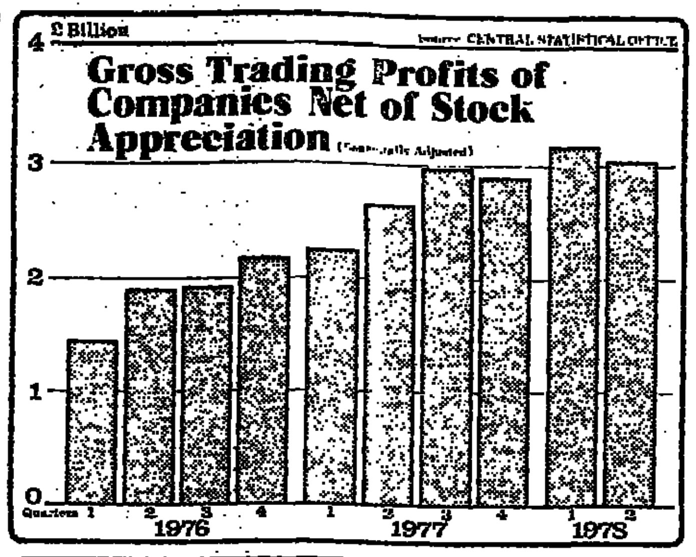
There would appear to be a [st]rong chance of the proposed [ta]x changes emerging intact [fr]om the House-Senate Confer[en]ce Committee which will [tr]y to reconcile their differing [ap]proaches.

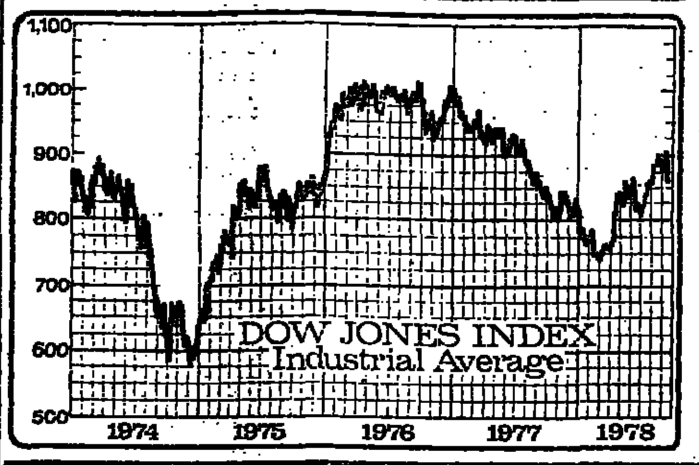
The securities industry has [lo]ng argued that a major reduc[ti]on in capital gains taxes would [lig]ht a fire under capital forma[ti]on and thus bring a multitude [of] attendant benefits to the [ec]onomy. The Securities Indus[tr]y Association employed Data [Re]sources Inc., a private [re]search organisation, to carry [ou]t some econometric studies of [th]e impact of capital gains re[du]ctions and it has come up [wi]th some very precise, some [m]ight suggest too precise find[in]gs.

Data Resources focused on [pr]oposals first tabled by Presi[de]nt John Kennedy in 1963 to [w]hich the Senate package bears [a] very close resemblance. [A]ccording to the SIA the [ec]onometric study found that [su]ch a package would add [$]22bn to gross national [pr]oduct between 1979 and 1983, [th]at it would add $58bn to fixed [bu]siness assets, that it would [cr]eate 2m man years of employ[m]ent by 1982, possibly 659,000 [ne]w jobs and a boost to federal [ta]x revenues amounting to [$]12bn.

CLOSING INDICES

	Close	Change
[M]onday	870.15	−8.40
[Tu]esday	861.57	−8.58
[W]ednesday	857.16	−4.41
[T]hursday	861.14	+3.98
[Fr]iday	862.44	+1.30





Labour problems hit demand

Buyers went back into their shells this week following the first signs of discontent over the Government's 5 per cent pay policy. Once the Ford dispute had developed into an all-out strike yesterday equities were marked lower on a broad front, knocking more than 7 points off the Financial Times Industrial Ordinary Index.

But after a period of rather stagnant company profits, a trend endorsed this week by poor results from Delta, DRG and Stone Platt, a number of brokers are now forecasting some acceleration, with a likely improvement of around 20 per cent in second half of 1978.

Sweet fight

Rowntree Mackintosh's first-half result has highlighted the dogfight going on among manufacturers for a share of the £1.4bn confectionery market. With the overall market offering little prospect for growth, stiff competition has put pressure on first-half margins, and profits are only 4 per cent higher at £12.51m. At home, Cadbury is putting up a challenge to Rowntree's Yorkie bar (which in just one year has cornered a fifth of its market sector) while in Europe, the company is fighting a battle for market share with Mars. With higher interest charges to finance a huge investment programme, the outlook for the year is for only a small profits rise to around £45m (£41.49m).

Oxford St. bid fever

Showing all the skills of an accomplished Monopoly player, Raybeck, the fashion retailer and manufacturer, is well on its way to picking up yet another prime site in London's Oxford Street with an £11.3m agreed cash bid for Bourne and Hollingsworth.

The terms are some £4m less than the punters had been hoping with Bourne and Hollingsworth's share price standing at 317p on Wednesday night — immediately ahead of Raybeck's 235p a share bid.

Several major suitors are known to have approached the Oxford Street store group but despite the discount to the recent market price the Bourne family found Raybeck's approach the most attractive and intend to accept in respect of a 59 per cent holding.

Raybeck has been steadily increasing its retail interests—almost non-existent when the company was floated in 1964—over the past decade. The big breakthrough came with acquisition of the Berkertex fashion house in 1968, and retailing now accounts for around two-thirds of profits.

Mr. Alf Simons, deputy chairman of Raybeck, said on Wednesday that the B and H acquisition would make Raybeck the largest trader in the West End where it is already represented through Berkertex, Lord John, Lady at Lord John and more recently John Stephens which it acquired for £¾m 18 months ago.

Bourne and Hollingsworth—a prestige name among department stores but a loss-maker last year—takes Raybeck into a bigger league and will test the company's proven ability to get the best out of its acquisitions.

Meanwhile the offer price leaves a number of B and H speculators very much in the cold.

LONDON

ONLOOKER

The Price Commission's latest report on the television rental industry is far from hard hitting. It urges four companies—three within the Thorn group and Visionhire (part of Electronic Rentals)—to freeze rental charges until next April. But apparently neither company had plans to put up rates to existing subscribers, anyway. So the recommendations are of little significance to future profitability and the market shrugged the whole thing off with hardly any move in share prices.

However, the report is packed with financial information for the analysts to get their teeth into and there are some interesting comments on prospects.

Thorn is hoping to maintain its return on sales and capital employed this year though it does see a cash flow deficit on rental. Rediffusion has told the Commission that its profits could fall in 1979 while Visionhire, in sharp contrast, is looking for another upturn.

Yet even after the City had time to digest the vast amount of information in the report, there was little reaction. There are some impressive figures. For example, the return on capital on a current cost accounting basis came out at 14.1 per cent for Thorn last year, while Visionhire managed 13 per cent. Even Rediffusion's return of 5.4 per cent looks good against industry as a whole.

But these figures only confirm the market's bullish views on the television rental sector.

Davy into the U.S.

Davy International's $110m agreed bid for the U.S. engineering and construction contractor McKee Corporation will enormously expand its operation in North America, leaving only 30 per cent of turnover to be generated from its British-based companies. Davy had been intending to make an American acquisition for some time and the only surprise lay in the size of the company it decided to buy: McKee has turnover of around $700m a year, not far short of Davy's own. Its profits have been slipping over the past year, however, and the price offered by Davy ($33 a share, a third above the Wall Street level) was taken by the market as being reasonable for a company of McKee's size and spread in the U.S.

McKee is unlikely to help Davy's earnings significantly in the short term but it has interests in specialist contracting fields that Davy sees as complementary to its own and has interests in South America alongside Davy.

The operation will be financed by Eurodollar loans, which will eventually be refinanced through a back-to-back dollar/sterling currency swap or a Eurobond. Davy's shares reacted to the merger, which places the group in the western world's top half-dozen contracting firms, by edging up a penny to a year's high of 297p.

Complicated yarn

It has ben a hectic week for directors of luxury knitwear group, Dawson International. On Monday the company's shares were suspended while plans for a merger with John Haggas, a Yorkshire based worsted yarn spinner, were finalised. Full details of the proposal were to have been announced on Thursday but Dawson's major shareholder, William Baird, stepped in with an underwritten £31m share and cash offer for the remainder of Dawson's capital. The merger plans were pigeon-holed, directors rejected the bid and turned their attention to defence strategies.

The merger proposals envisaged setting up a new holding company which would acquire both Dawson and Haggas. Haggas shareholders would have received cash as well as shares. The new group would have had annual sales of £100m with a spread of markets from polyester/wool yarns to the very high quality cashmere, camel hair and mohair. Haggas' strong management and its steady upward profit trend would have helped Dawson to overcome its recent erratic performance.

But William Baird intervened largely, according to its chairman, Mr. Stanley Field, because it liked Dawson as it was and did not want to see it diversify. If its bid succeeds it will substantially lift profits and cash flow, without placing undue strain on its balance sheet. If the bid fails Baird will at least be getting a better return on its investment—since Dawson is likely to increase its dividend substantially—although its stake in the merged group will only be around 23 per cent.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1978 High	1978 Low	
Ind. Ord. Index	518.6	−11.8	535.5	433.4	Rumblings about Govt. pay policy
Alida Packaging	145	+37	146	84	Agreed bid from Rockware
Barr & W.A.T. A	160	+19	160	60	Renewed speculative buying
Bentima	41	+17	41	23	Speculative demand
Bourne & Hollingsworth	232	−53	288	79	Raybeck cash bid of 225p per share
Brown & Jackson	236	+30	236	24	Speculative demand
Brycourt Investments	126	+42	129	66	Moves t'wards voluntary liquidation
Camrex	52	−13	73	50	Poor half-yearly results
Chemring	111	+37	111	35	Favourable Press mention
Dawson Itnl.	193	+41	193	99	Bid from Wm. Baird
LWT A	140	−14	157	106	Nervous selling
Lovell (Y. J.)	123	+24	123	74	Buying in thin market
Lyons (J.)	148	+14	150	72	No Mon. Com. ref. for Allied bid
Peko-Wallsend	523	−43	570	310	Ranger project delays
Randalls Grp.	95	+17	106	60	Bid talks with Ferguson Ind.
Ransomes Sims	173	+15	173	125	Int. results above expectations
Rolls-Royce	117	+ 8½	120½	63½	Good interim figures
Selection Trust	488	−18	518	375	Reaction after Socal/Amax news
Siebens (UK)	366	−54	444	226	Withdrawal of spec. support
Wilkinson Warburton	90	+14	90	61	Good interim results

U.K. INDICES

Average week to	Sept. 22	Sept. 15	Sept. 8
FINANCIAL TIMES			
Govt. Secs.	70.64	70.62	70.43
Fixed Interest	72.22	71.97	71.97
Indust. Ord.	525.9	530.2	505.2
Gold Mines	181.4	182.8	182.5
Dealings mkd.	5,205	6,053	4,768
FT ACTUARIES			
Capital Gds.	254.39	253.47	242.56
Consumer (Durable)	222.2	224.69	217.43
Cons. (Non-Durable)	222.51	226.00	217.43
Ind. Group	236.58	239.08	229.71
500-Share	259.95	262.60	252.82
Financial Gp.	174.13	176.22	171.72
All-Share	237.59	240.15	231.76
Red. Debs.	57.55	57.74	57.83

FINANCE AND THE FAMILY

Avoiding a capital gain

BY OUR LEGAL STAFF

We have a family-owned company—retailers—the directors are two of our sons (shareholding 41 per cent) and my wife and I (shareholding each 29.5 per cent). One of the retail shops operates from a premises of which the freehold is owned by my wife. The original lease is about to expire (it was for 21 years) and we feel that the business should have some form of secure tenure.

The ideal situation that we would like to achieve is to transfer the title to the family company but a straightforward sale would incur a substantial capital gains tax. We are leaving all our property to the survivor and the survivor direct to the children and we are transferring some assets on an annual basis. We have no objection if the property goes to them at this or any stage so long as we do not fund the tax. Is there any way round this problem?

It would probably be best for your wife to grant the company a new lease (as it would be entitled to claim under the Landlord and Tenant Act, 1954) at a rent which is agreed between you all—a full market rent may be appropriate here, but if it is desired to avoid increasing the value of the reversion a discounted market rent may be used. Alternatively the present lease may be allowed to continue under Part II of the 1954 Act by simply not serving a notice to terminate the lease. The reversion is then available to be dealt with as you have indicated but subject to the lease. A valuer can advise you on the most advantageous rent to reserve.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

A confirmed widower

I am a widower and have no intention of re-marrying, so would like to waive any rights to a continuing pension after my death to a (non-existent) widow. However, the company which runs the scheme for my employers will not agree to this, although the Inland Revenue is agreeable. Are there any companies which would? Is there anything I can do?

Pension schemes which provide automatic widow's pensions do not (in practically all cases) allow you to opt out of this cover. The general basis of such plans is that they are costed on the assumption that 80 per cent of the employees will be married and have dependent wives. The costing allows, therefore, for the fact that any cross section of employees will include some bachelors and widowers and that in other cases the wife will predecease the husband in retirement.

There is a good reason for this. In days gone by when many pension schemes only provided widow's pensions where husbands specifically gave up part of their own pension in exchange (ie when everything was done on an individual basis) there were great gaps in cover and many widows were not provided for at all. In consequence, companies have generally speaking taken over the responsibility for providing for widows. Thus, a married man will pay exactly the same contributions to a pension scheme as a single man but get more benefit to the extent that both he and his wife are provided for.

This has nothing to do with the insurance company because they are merely underwriting the overall benefit package and providing benefits as specified by the company in return for the agreed level of premiums. It also has nothing to do with the Inland Revenue because the latter merely permit the provision of pensions and widow's pensions as to agreed limits. Who pays what to get what within these limits does not normally concern the Revenue.

UK tax liabilities

My father died recently leaving a life interest to my mother in a sizeable estate which takes the form of UK equities, loan stocks and gilts. My mother proposes to move to New Zealand. Could you tell me what her UK tax liabilities will then be?

The NZ-UK double taxation agreement of June 13, 1966, is being revised, and in fact an amending protocol was agreed at official level only a fortnight or so before you wrote to us. As the details of the proposed amendments have not yet been released to the press, we can only advise you on the basis of the current rules, but it is unlikely that the protocol will increase your mother's potential UK tax liability to any significant extent.

You will find the text of the current double taxation agreement in, say, volume 5 of the British Tax Encyclopaedia or volume F of Simon's Taxes in a public reference library (or the accountants might let you browse through their copy of one or other of these standard works).

Briefly, your mother should be exempt from UK tax on interest derived from any of the gilts marked with pairs of double obeli in the Financial Times Share Information Service columns, as soon as she ceases to be ordinarily resident in the UK. It may not, however, be possible to arrange exemption at source (depending on the circumstances of the will trust etc.) and so she may have to claim repayment on forms A1, which are obtainable from the Inland Revenue Dividends Office (to which her tax papers will probably be transferred after she settles in New Zealand).

The effect of article VI of the NZ-UK convention, as far as your mother is concerned, will be that she will qualify for payment of the 33/67ths tax credit attributable to UK dividends, subject to retention by the Foreign Dividends Office of 15 per cent tax on the dividends (for which she should get credit against her NZ tax liability, under article XVIII (2) (a)). Interest on loan stocks (and gilts not marked with pairs of double obeli) will remain taxable at full UK rates, including surcharge and higher rates, under article XVII(a). It is virtually certain that no personal reliefs will be available under section 27(2) of the Taxes Act, because of the size and composition of your mother's worldwide income.

A lien on a house

Some time ago we sold a house, in return for a down payment and weekly payments. The house was later apparently abandoned and is falling into disrepair. The purchasers were required to insure the house. We now find we are debited with the premiums and since we own the adjacent house, we are advised that it is to our interest to keep up the payments. How do you think we should deal with our problem?

Unless your arrangement for the payment of instalments was of a most informal nature you should have obtained a mortgage or an equitable charge on the house as security for the repayments; and even if not you probably have a technical charge called a lien for the balance of unpaid purchase money. If so you would be able to sell the house as chargees and recoup out of the proceeds of sale the amount owing to you and interest. You would be wise to consult a solicitor.

No need to note transfer

I am arranging for the transfer of a property to joint ownership. I find that I am able to make this transfer myself and have forwarded the Land Certificate to the Land Registry Office. Who makes note of this transfer on the Deeds which are held by a solicitor?

If the property consists of registered land, as it evidently does, there is no need to note the transfer to joint owners anywhere other than at the Land Registry. However you might out of courtesy inform the solicitor you mention, although you are not bound to do so.

Capital gains tax relief

I am 68 and my present business, which I have held for 8 years, will be acquired by the County Council for road widening. Shall I have to pay full capital gains tax?

We are pleased to inform you that, on the bare facts given, you appear to be entitled to a measure of relief from capital gains tax under what is now section 48 of the Finance Act 1978.

If you fulfil the conditions set out in that section, you should escape CGT on the first £40,000 or so of the chargeable gains arising on the compulsory acquisition of your business.

The Finance Act 1978 costs £2 (ISBN 0 10 544278 X), or £2.15 by post from a branch of HMSO (cash with order).

Definition of residence

I am a U.S. citizen, resident in the UK for about 20 years up to January, 1976, when I returned to the U.S. I did not file UK tax returns for the years ended April, 1977, and 1978.

For family reasons I may return from Ireland where I am now living to the UK as a resident after April, 1979. Will there be potential liability for UK tax for the three fiscal years of my absence from the UK—when I was non-resident, obtained Bank of England approval to have my UK assets designated transferable, etc.?

You have given us so few relevant facts that it is difficult to give you a helpful answer. Your exchange control status (as determined by the Bank of England) has virtually no effect on your UK tax position: the definition of residence for exchange control purposes is quite different from the definition for the purposes of income tax and capital gains tax.

We suggest that you get in touch with the Tax Inspector to whom you sent your last UK tax return, and ask him for copies of the free booklets IR1 (Extrastatutory Concessions) and IR20 (Residents and Non-residents): in booklet IR1 you should look particularly at concessions A13 and D2.

You should also check whether your are eligible for relief under the U.S.-UK, Ireland-UK and Ireland-U.S. double tax treaties.

Motorists and the crunch

INSURANCE
JOHN PHILIP

FOR SEVERAL years now, here in Britain, motor insurers have handled around 2m motor claims a year. As the number of vehicles on our roads increases, it is inevitable that the number of accidents, and claims, rises, so long as the accidents claims "frequency" stays the same. "Frequency in this context is the number of accidents claims recorded against a given number of vehicles in a given period—and is usually expressed as a percentage.

For a long while insurers planned, for example, for a claims frequency on "comprehensive" policies of around 14 per cent. But in the last two years accidents claims frequeney has been rising. In the first six months of 1977, in particular, all insurers found that many more claims were coming in. Things improved a bit in the latter half of last year, but this improvement was only temporary, and many insurers are now reporting that the first half of 1978 shows a further rise in frequency over the comparable period of 1977, in some cases of up to 10 per cent more.

It is clear that this rise in frequency in 1977 was a substantial cause of the £20m motor underwriting loss reported for 1977 by member companies of the British Insurance Association. My guess is that an even bigger loss will emerge for 1978, because the premium rating increases that most insurers have been making in the last year or so have been no more than sufficient to cope with inflation.

Two options

If I am right, then individual motor insurers have two main options—to go for rating increases, probably of the order of 20 to 25 per cent, when the time comes for their annual review of rates, or to go for more frequent but lower percentage changes of rate. A couple of years ago, many insurers were changing their rates at 6 to 9 month intervals.

It may be that in 1979, through sheer force of adverse trading results, we shall see a return to this practice—which few, if any, insurers like, because it imposes a double increase on those with policies renewable later in the year, caught by the second round, and gives them special reason to go looking for a less expensive insurer who is not taking such drastic action.

Of course, motor insurance in real, as distinct from inflationary, terms is still no more expensive than it was, either ten years ago or even before the war. But inflation makes all of us older citizens think twice—or even more—about the number of devalued pounds that we have to spend. The ever increasing apparent cost of motor insurance is undoubtedly causing a percentage of motorists each year to think seriously about bearing a substantial damage "excess" or even about running the damage risk entirely by taking only "third party" or perhaps third party fire and theft cover.

This I hold to be a short sighted course, because the real cost of "comprehensive" cover

> Motorists face stiffer and more frequent rises in their insurance premiums and third party cover may rise fastest in price.

is little changing over the years. If one could afford it then, one can afford it now. Moreover, a continuing steady switch from "comprehensive" to "third party" cover must sooner or later affect the price that insurers charge for the reduced cover.

It is here that the effect of the market wide claims agreements is important. Almost all motor insurers subscribe to what is called the "Knock for Knock Agreement," a forbearance agreement which obliges the individual insurer to bear his own policyholder's damage repair claim in a two or multivehicle accident, without seeking recourse from any other insurer. This forbearance agreement is a good practical illustration of the swings and roundabouts rule, and it works most fairly between insurers when the great majority of motorists have full "comprehensive" cover.

The more comprehensive policies are written with excesses, the more third party policies are sold, the less fair and reasonable does the swings and roundabouts justification for the "Knock for Knock Agreement" becomes. The burden of claims cost piles up on the fully comprehensive policies, because under those insurers have to meet both their own policyholders' claims and inevitably some claims from third parties for uninsured damage.

Knock for Knock

Currently the rates that insurers change for third party cover are related to their experience of claims under third party policies shielded by the Knock for Knock and other market agreements. These rates would not be adequate for third party policies that had to bear the true cost of claims attributable to those policies—the cost from which they are partly protected by the operation of agreements.

At the present time third party only cover costs between 40 and 50 per cen tof "comprehensive" cover depending on one's choice of insurer. Inevitably if more and more motorists opt for some form of third party cover, more and more insurers will be likely to modify or alter their claims handling agreements, and if this happens then the cost of all kinds of third party insurance will rise to contain the extra burden of claims that will fall upon those policies.

Such a redistribution of costs and therefore, premium, would to a small extent benefit "comprehensive" policyholders because in the renewal cycle in which the redistribution takes place, they would most probably have to bear a less heavy increase, the greater burden falling on the "third party" motorists to close the present wide premium gap between the two covers.

So doing a little chrystal gazing for 1979, I predict steeper, perhaps more frequent premium increases than we have suffered in the last year or so, and that as the year goes on, third party policyholders may find themselves paying proportunately larger increases than their comprehensive neighbours.

YOUR SAVINGS AND INVESTMENTS 1

Turnover and profit

IF YOU look carefully through the pages of this paper you will realise, and rapidly, that there are a good many unit trust managers asking you for your money. To some extent this is just a reflection of the time of the year: people always start thinking about their investments in general, and about longer-term savings in particular, when they come back from their summer holidays. But to some extent, too, it appears to be a reflection of the fact that unit trust investors are becoming more sophisticated.

That, at least, is the implication to be drawn from this week's figures on unit trust activity, which showed that gross sales continued at a high level, but that redemptions, too, were higher than ever before. In contrast to the anxieties which they have expressed about a high level of redemptions in the past, the unit trust groups are taking this latest evidence of a big cash-in philosophically. And the reason seems to be that the money that is going out—as unitholders take their profits on, inter alia, America—is coming straight back in again.

Unit trust groups don't necessarily lose out from such a turnover—even though most of them tend to deplore it. It's true that if a trust is heavily depleted, the annual management charge derived from it will run down, too. But if the money is being reinvested elsewhere within the same group, it will benefit overall from the front-end loading.

Of course the perfect situation for the unit trust group is that in which there are plenty of buyers for the units in a fund in which there are also heavy redemptions—if the market is going up. To the extent that the management groups holds those units, it will make profits as the price rises. From the looks of things that might have happened in the recent past. For while there have been substantial new sales of the Far Eastern trusts, the biggest sales of all continue to be in the high-income funds.

RETURNS AT VARYING TAX RATES

Institution	Return % net to: Nil rate taxpayer	Basic rate taxpayer	55% taxpayer	70% taxpayer
National Savings				
14th issue National Savings Certificates	7.59	7.59	7.59	7.59
British Savings Bonds*	8.5	5.7	3.82	2.55
National Savings Bank				
Investment account†	9.5	6.35	4.27	2.85
Building societies‡				
Deposit shares	6.45	6.45	4.32	2.88
Ordinary shares	6.7	6.7	4.5	3.0
Term shares	7.7	7.7	5.18	3.45
Clearing banks				
Deposit accounts	7.0	4.7	3.15	2.1
Bank branch deposits‡	8.4-9.25	5.62-6.2	3.78-4.16	2.52-2.78
Local authority deposits‡	8.75-11.75	5.85-7.85	3.95-5.3	2.62-3.53
Gilt-edged stock‡				
Exchequer 13% 1980	12.52	8.4	5.63	3.75
Treasury 15½% 1998	13.11	8.8	5.90	3.93

* Rate rises from November 20. † Rate from beginning of October. ‡ Rates vary: check on application.

By popular request

INVESTMENT

ADRIENNE GLEESON

SINCE I wrote about the returns available to those who would put their money into fixed interest investments, three weeks ago (September 2), there have been various requests for a table showing those returns at different tax rates. Well, here it is: and very dismal reading it makes for those who are paying tax on their top slice of income at anything more than the basic rate. But let's start off with the implications for people at the other end of the income scale.

You will, I hope, note as you work your way down the table, that there are some outstandingly good returns available to those who pay no tax at all: but you will also, I hope, note that a building society deposit is not one of them. This is because the interest on a building society deposit is paid after the deduction of basic rate tax, and you cannot claim it back. I cannot stress too strongly that for those — pensioners, perhaps, with very modest savings—whose income is so low that they don't pay any tax (or what tax they do pay is at the new reduced rate of 25 per cent), a building society investment is a very bad idea. If you want to keep your money safe but reasonably accessible, put it into an NSB investment account at the Post British Savings Bonds which is to be introduced in the middle of November). If you're not worried about accessibility, then put it into a local authority deposit instead. I wouldn't recommend gilts (except very short-dated gilts) for anyone with very modest savings, because even though you can get the interest paid gross if you buy stocks like those on the table through the National Savings Stock Register (ask at the Post Office), your capital will be at risk.

For those of you whose problem (in tax terms, anyway) is not that you have too little in the way of income, but rather that you have too much, this table holds a message that is equally clear. Insofar as it's possible you want to avoid anything that will give you extra income. And that rules out, all but completely, the contents of this table.

All but completely: but not quite. For there is one investment shown which is a rattling good buy for anyone who is paying a lot of tax (more than 55 per cent at the margin), and that is National Savings Certificates. There are snags, of course. You can't put more than £3,000 into the current, 14th, issue, and it won't provide you with income as such, though it is possible so to stagger purchases and redemptions as to provide yourself with a regular return. I wouldn't shilly shally over this one. Even though the rate of interest on NSB investment account is set to rise at the beginning of October, and there is a new and higher coupon issue of British Savings Bonds due out seven weeks after that, I'd be inclined to assume that the next announcement of changes in National Savings terms, will be an announcement that the rates are coming down.

Of course if interest rates are to fall then you high taxpayers should not be in fixed capital investments at all: you should be pushing your money, instead, into low coupon gilts on which you can hope to see some handsome capital appreciation which will attract tax at only 30 per cent (or not at all if your gains are less than £1,000 or yo uwait out the year and a day which will, with gilts, give you exemption from any liability to tax on your capital gains). Maybe it's a little early for such unbridled Office (or into the new issue of enthusiasm. But one thing is certain. What you don't want, if you're a higher rate taxpayer, is any of the high income-producing investments listed in this table. If you absolutely must have income, you'd do better (assuming that your tax rate is more than 55 per cent) to go for a single premium bond with a flexible withdrawal option instead.

Mixed news from Nation Life

INSURANCE

ERIC SHORT

THERE WAS good news this week for Nation Life policyholders. Mr. Gerry Weiss, the liquidator, is making another payment next month, amounting to about 10p in the pound—the exact amount has yet to be decided. This payment comes 18 months after the last, and assuming that it does amount to 10p, it will bring the total so far received to 74p in the pound; just 1p short of the 75p that policyholders were told to expect early in the liquidation.

It must have seemed an eternity since the last payment to policyholders. But it is not economic for the liquidator to pay out less than 10p at any one time (paying about £3m). He has been selling off the tail-end of the property portfolio, of necessity a slow process. He has now accumulated enough—including £880,000 for the Bournemouth complex which precipitated the collapse—to make another payment.

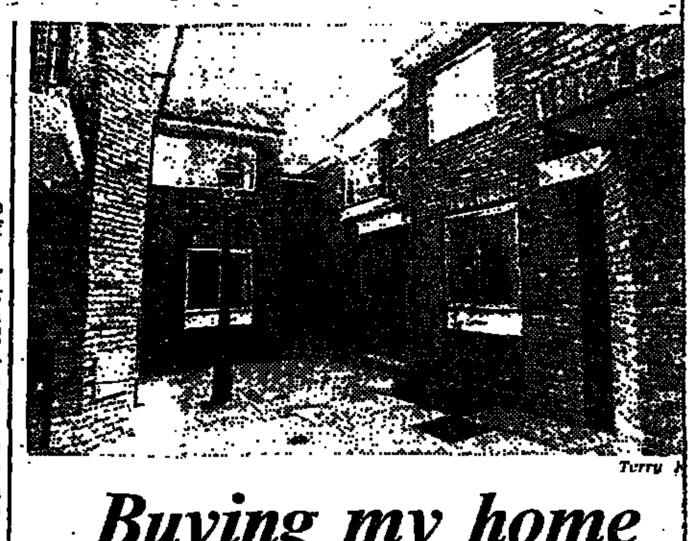
However, there is bad news too for policy holders. Mr. Weiss warns that the payment following this one will be the last and policyholders cannot expect it for several years. So extensive a time lag is to be expected in a situation as complex as the liquidation of Nation Life. The liquidator is not prepared to make any forecast as to the size of the final payment.

Mr. Weiss also confirmed that he is endeavouring to recover some of the loss incurred in the purchase and subsequent sale of the Bournemouth complex.

Policyholders will remember that the Bournemouth complex was bought for £4m following a professional valuation. It turned out subsequently that the investment had to be written down to £1¼m; it has now been sold for much less than that. If the difference between the sale price and the valuation could be recovered, it would mean an extra 10p in the pound for the 300,000 policyholders.

This news reflects an interesting development in the Nation Life saga, and if any money is recovered it will be an unexpected bonus to policyholders. Otherwise all they can expect is the odd penny or two from the final clear-up of assets, plus any further payments from the liquidators of the crashed International Credit Bank of Geneva.

The liquidator will also be telling policyholders of the latest financial position of the company when he makes next month's payment. In addition to showing how much policyholders have received, his statement will show how much the liquidation has cost policyholders. It was in excess of £500,000 at the time of the last report, in April 1977. One feature of this liquidation has been the amounts paid out to those concerned, and this has highlighted the need for separate legislation on the liquidation of life companies. Recent legislation, however, has meant that the cost of the next liquidation will effectively fall on all policyholders in every life company operating in the UK.



Terry K

Buying my home

MORTGAGES

WILLIAM HALL

I HAD bought my first house only a week before Standard Life's useful little pamphlet, Buying your home* landed on my desk. I wish I had had a chance to read it before I took the plunge.

As it was, I was in something of a hurry to purchase a property since I was being evicted from my Mayfair pied à terre, above Bond Street Tube station, and did not have much time to spend exploring the ins and outs of endowment policies and so on. Fortunately an ex-school friend, now a solicitor, guided me through the legal intricacies of the deal, and the only thing I had to do was to find a building society.

I had toyed with the idea of approaching a mortgage broker who, rumour had it, could spirit me to the front of the queue by transferring my account to the local office of the Houghton-Le-Hole building society. But I thought this sounded a unfair, and on principle (y principle) I dislike handi money over to middle-men even though in this case th might have been able to fit with the best type of policy.

This is where Standard Lif little pamphlet comes in. Ap from giving some useful adv on matters such as how mu the survey fees and stamp du cost, it goes into detail abo the various methods of arran ing a mortgage. It outlines w it might be cheaper in the sh run to take out a simple payment mortgage, but then e plains the advantages of e dowment-linked plans.

For a layman like myself, gives a few examples of the fi ancial costs and benefits of th various permutations. The on quibble, if there is one, is th it does not tell you what to if you have tied yourself with a repayment mortgage an want to disentangle yourself take advantage of its services.

**Buying you home, avai able from Standard Life, George Street, Edinburgh, EH 2XZ.*

Consorting together

TALK TO any fund manager and he will tell you that one of the worst of the problems with which he has to contend is the great pile of bumph that he finds on his desk every morning. A large part of these buy and sell recommendations, spilling onto the floor already, is inevitably going to find a permanent home in the waste paper basket; and happy the stockbroker who can claim that his work is read.

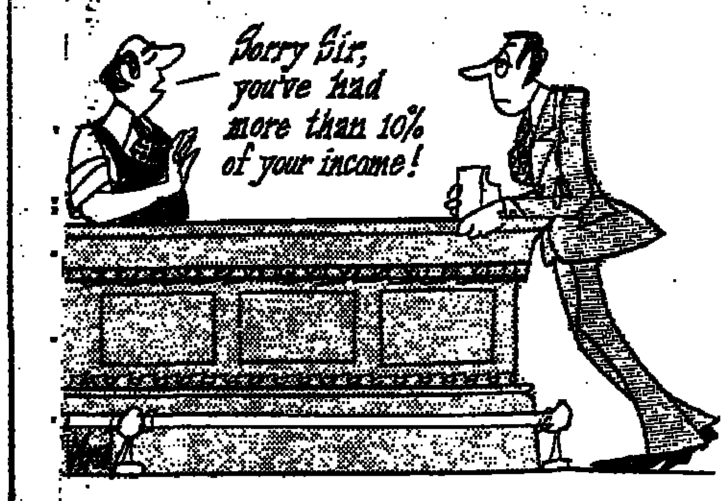
So it's good to see one set of stockbrokers applying a little common sense. Messrs James Capel, Capel-Cure Myers, Hoare Govett, Kitcat and Aitken and Laing and Cruickshank (alphabetical order, kindly note) have come together to provide a joint service, at least insofar as it concerns the basic information which each of them provides already on investment trusts. As of next Monday they'll be providing a consortium investment trust service which takes in the provision of a daily list giving details, *inter alia*, of geographical breakdown and discount, and a monthly list.

Messel's muscle

MEANWHILE THE stockbroking competition has also been busy. Messrs. L. Messel have now produced the updated version of their annual investment trust yearbook, a volume delayed by the publication, earlier this year, of the Association of Investment Trust Managers' own version of this annual compendium of statistics. The partner in charge, Jonathan Carr, agreed at the conference called earlier this week t launch the yearbook, that, i certain respects it covers th same ground, but pointed o with some glee that while th Association's version comes a £7.85, that of L. Messel come free. But it comes, I fear, onl to clients of the firm—or t institutions big enough to mak their custom worth chasing.

In particular Messels have gon to trouble to set out the bes performers over the past fiv and ten years; and—which i probably more significant fo the longer term investment trus shareholder—have set out ver clearly dividend growth ove the same period.

YOUR SAVINGS AND INVESTMENTS 2



Spend, spend, spend

MY FATHER had a predilection for statistics. He had that old-fashioned Mancunian belief that knowledge is the root of all progress, and that most knowledge can be encapsulated in figures on the page. And, while the rest of the family has always held firmly to the view that there are lies, damned lies and statistics, he passed some of his predilection on to me.

Of all the series of statistics produced by serious academics and skilled computer wallahs, there can be few more fascinating than those contained within the *Family Expenditure Survey*.* This is perfect bath-time reading, equally entertaining taken by way of short dips or a long browse: it is not so unwieldly as *Economic Trends*, which is apt to trail in the water, but quite as rich in food for the imagination.

Consider, for instance, the revelations contained in the 1976 version, which has just been published. It comes as no surprise to you, I daresay, to learn that the poorer you are, the higher the proportion of your income you are likely to spend on housing. But why, can you tell me, does the average one-woman household spend 25 per cent of her income on housing, while the average one-man household spends less than 20 per cent? Is it because single women are in general less rich than single men? Or is it simply that the single man spends considerably more of his spare time in the pub?

Far be it from the authors of the Survey to balk at answering that question. You want to know how much the average single man will spend on alcoholic drink? Almost 10 per cent of his income. And the average single woman? Just over 2 per cent. It would, of course, be dangerous to draw any firm conclusions from that fact. In all probability all it means is that, even in this liberated age, she lets him do the paying.

But the Survey will tell you about more—much more—than the pattern of the sexes' spending (incidentally, she spends a far higher proportion of her income than he on fuel, light and power, so maybe I do her an injustice). It also reveals a great deal about how expenditure patterns vary according to the income of the household. It probably won't surprise you to learn that the £10,000 a year man spends, on average, more than three times the norm on wines and spirits: but why he—or his wife—finds it necessary to spend three times the norm, likewise, on hats and haberdashery, is beyond my comprehension. And would it ever have occurred to you that the £10,000 a year household spends more than the norm on fish and chips? 18p a week, against the norm of 11p. Maybe fish and chips is passing through the same metamorphosis that oysters have experienced within the past century.

But alas, there are dangers in using these statistics. I, for instance, took one look at the expenditure on syrup, honey, jam and marmalade, and drew instantaneous conclusions. The norm is 10p a week, and spending doesn't vary by more than 3p a week either side of that, whether the household's weekly income is less than £15 or over £200. Aha, I said: in this at least we all consume alike. Not so, said one single, male, £200 a week-plus household of my acquaintance. He eats very little of the stuff. But he only eats the best.

* *Family Expenditure Survey: HMSO: £4.50.*

The end of the course

RETIREMENT

ADRIENNE GLEESON

IN THE financial sense, at least, life will look grim and earnest enough to many of us as we approach retirement. But it's likely to look rather worse than that to those who've been employed by the Church of England.

It isn't that their income is particularly low, though the full service pension (most of which comes from the investment income of the Church Commissioners) is not unduly generous, either: at £1,325 a year (supplemented by the State pension) it gives a clerical couple some £56 a week to live on now. No: the real problem is that those who've been a part of the stipendiary ministry lose, when they retire, not just their jobs, but their homes as well. And as the Church Commissioners have been finding out, incumbents have an inconvenient habit of growing attached to their parsonage houses.

It's one of the Church Commissioners' most irritating problems, that it spends too much on keeping its 2,300 "unsuitable" — old, inconvenient, decaying—parsonages in being. "Too much," last year, was a large part of the £7.6m spent on repairs and decorations, rates and insurance: by 1979 the figure is expected to be £9m. The problem isn't that the Church can't afford to buy or build more convenient accommodation: after all, old parsonages bring in a good price (the 348 sales of 1976 brought in almost £30,000 apiece). It's either that the accommodation (or the sites) aren't there to be bought, or that the incumbent and his family do not want to move.

All the worse then, the moment when the move becomes inevitable, and the more so as there isn't likely to be much scope for choice of an attractive alternative. A clergyman's stipend (on average £3,126, or just over £60 a week, in July 1978) is hardly going to stretch to savings, and the lump sum payable on retirement (£2,000) is, in terms of prices now, derisory. So it's a matter of applying for help from the Pensions Board (loans for the purchase of a modest house: no repayment of capital until the house is sold), or from diocesan or other bodies. As indicated in the report on the Church's finances in the period 1976-79, which has just been produced on behalf of the Central Board of Finance and the Church Commissioners, there isn't much prospect of a more satisfactory arrangement unles the laity bumps up its contributions.

The chairman of the Central Board of Finance suggested recently that individuals should put aside 10 per cent of their gross income for church and charities (10 per cent of their net income for those with family commitments). The authors of this latest report suggest that five per cent of gross income should be committed to the Church. That's £4.50 a week, out of net income, for anyone on the average wage (and double that for anyone on £9,000 a year). It may be little more than the average northern household spends on drink, but it still puts one firmly in mind of that saying about serving God and mammon. You'll certainly be hard pushed to serve them both.

Contrary to the trend

OVER THE past two years, we have seen a steady procession of traditional life companies moving into the unit-linked sector, offering linked contracts as savings vehicles. But we have not seen any movement in the reverse direction—a linked company entering the conventional with-profits savings market. To some commentators, such a move would seem a retrograde step. Well, this week Lloyd's Life announced that it was taking it; and from next month the company will be offering with-profit endowment assurance contracts.

This move could pose capital problems for Lloyd's Life, if it writes a substantial number of contracts, since the financial guarantees provided on with-profit contracts have to be covered. One reason why the newly-formed life companies marketed linked rather than conventional savings contracts was that it takes much longer to build up a reasonable portfolio on the latter, unless there is substantial capital backing.

Hill Samuel and Providence Capital are two comparatively new life companies which offer with-profit contracts. But the growth of such business has been comparatively slow, and has been carried out the back of other, more profitable business.

Lloyd's Life has not taken this step because it has lost belief in the linked concept—far from it—but because its marketing outlets, the Lloyd's brokers, have not generally accepted the linked concept. Their outlook has been conservative, with a penchant for the guarantees provided by conventional business. Lloyd's Life has bowed to market pressure, but it does not intend to market with-profit contracts aggressively.

Indeed, it would be rather difficult for the company to be aggressive, since the projected maturity values on its forecast bonus rate of £4 per cent compound, with no terminal bonus, would only put it in the middle of the market. An investor aged 29, paying £10 per month gross, could expect £1,502 after 10 years, and £6,299 on a 25 year contract. The top projections from other companies are about £1,600 and £9,000 respectively.

Making over to minors

FURTHER TO last week's comments on the implications of coming changes in child tax allowances: just in case any grandparents, godparents or other would-be donors are tempted to rush off to make over property to a minor (or minors) forthwith, do remember that if that minor's unearned income rises above £115 (or its total income above £500) in the current tax year, its parents' tax allowances will be cut. As from next April (as the law now stands) neither earned nor unearned income of a child will affect its parents' allowances: but for the moment the distinction stands. Give for Christmas by all means: but don't give so much that the child's investment income tops £115 in the three months to the end of this tax year.

Charities Official

THERE'S STILL a movement from fixed to variable income investments within the portfolio of the Charities Official Investment Fund. The latest figures, in the half year report to the middle of July, show that fixed interest investments accounted for only 12.7 per cent of the portfolio (as against 14.2 per cent in the middle of January). Most of the rest of the fund was placed in equities.

The Charities Official Investment Fund was established in 1960, and it is unique in two respects. First, the Trustees of the Fund—in which all charities in England and Wales may participate—have very wide investment powers: they can put their money into securities and property of any kind. Secondly, those charities which do put their money into the fund may, if they wish, put the whole of it in: they don't have to split their investments under the Terms of the Trustee Investments Act 1961.

'Top down' and 'rifle shot'

EXPATRIATES

ADRIENNE GLEESON

MOST OF the information presented at the recent conference on investment opportunities for expatriates, arranged by Planned Savings, was useful but more or less routine. One speaker, Nicholas Hurst, of Thomson's Overseas, drew the distinction—the vital distinction—between obtaining status as an overseas resident for the purposes of the tax authorities, and obtaining it for the purposes of the foreign exchange control regulations far too many expatriates assume that the first is the only one that matters.

Another speaker, James Wootten of Planned Savings itself, expatriated entertainingly on the effects on intermediaries of the controls on sales of investments implicit in the Prevention of Fraud (Investments) Act; and how the permissible lieth in the eye of the beholder at the Department of Trade.

Bill Mills-Roberts, of the Tyndall Group, drove home the message that investing offshore, just like investing onshore, is better done through a respectable agency; and then went on to point out the importance of taking full advantage of opportunities to invest in other currencies than sterling and to receive returns quite free of tax. Keep an eye on what is happening, he said, and "when in doubt, stay out." All of which was good sound stuff. But for an enlightening view it was necessary to wait for Tom Griffin, of GT Management, to speak.

GT Management runs half a dozen unit and investment trusts, whose record over the longer term has been passable, though not unduly exciting; of course the recent upsurge in Far Eastern markets has done wonders for the oriental holdings which are something of a GT speciality. The managers approach to investment, however, is well worth any expatriate bearing in mind. They take the "top down" approach: which is to say, they look first at what Governments are doing, with a view to determining the outlook for the economy and the currency: and only if they are satisfied with that Government's approach to monetary policy and inflation do they go on to consider the best investments by way of sector and stock. The alternative course, still used by most private investors, is the "rifle shot" approach, where selection of the stock is the be-all and end all of investment policy. Holding to that policy is excusable enough in the case of UK investors, who are handicapped by exchange control regulations: but for their expatriate counterparts who adopt that approach are simply wasting their opportunities.

● I have recently had drawn to my attention the existence of another firm prepared to handle the financial problems of expatriates: the London — and Worthing, and Exeter — based advisers Wilfred T. Fry is in essence a firm of tax specialists, with a history going back to the turn of the century and the heyday of the Raj. Reflecting that longevity, a lot of their overseas clients are still based in areas like the Far East and Australasia, rather than the centres of expatriate activity like the Gulf; but they are willing and able to take on all and sundry. As tax specialists with a large body of purely UK clients, they have good reason for doing the best for you: they want your business when you come home.

However, they do not pretend to be investment specialists as such; and while they can advise on your foreign exchange situation, if you want anything more elaborate in the way of investment advice than the recommendation of some offshore funds or insurance policies, they will send you to a stockbroker instead. They charge by the hour, rather than on a percentage basis.

● Finally, a comforting thought for those of you still enmeshed in the toils of the Inland Revenue. Has it occurred to you that the American expatriate's position could be worse? It has occurred to Providence Capital, the ex-Slater Walker insurance company relaunched by its new American owners a week ago. They are contemplating turning their Channel Islands office on to it.

Leasing and the Revenue

TAXATION

DAVID WAINMAN

CAR LEASING schemes were one of the tax avoidance areas against which the Chancellor was widely expected to legislate last April, but contrary to those expectations the Finance Bill contained no such attack.

In the following month, one motor distributor announced that the Revenue were disputing its tax position related to vehicle leasing. Whether this signalled the start of a concerted challenge by the Revenue was unclear. But what was more disturbing was the uncertainty just how wide that attack might or might not become.

All commercial leasing in the UK is founded on the lessor's entitlement to tax allowances on the asset which he owns and which he leases out. Both lessor and lessee obtain benefits in the form of an advantageous cash flow, the lessee by paying for the availability of the asset by rental instalments throughout the lease term: the lessor by using his tax allowances to eliminate liability on other profits before he receives the greater part of those rental instalments.

The Revenue recognise that it is they who provide these cash flow benefits. And so far as concerns the regeneration of British industry through renewal of plant and machinery, it can be said that cash flow benefits are the very thing that 100 per cent first year allowances were designed to provide.

But many people have wondered whether the Revenue as gladly dispense the like benefits for motor cars. Particularly because the legislation was originally drafted to give all car owners their tax allowances only over an extended period, and to restrict the lessee's right to deduct his rental payments if the car was an expensive one). It was only when the drafting was proved to be defective that the Revenue admitted the car leasing companies' entitlement to the 100 per cent allowance.

Nagging doubts remain about the erosion of the tax base by these 100 per cent allowances, and the extent to which this could continue to be acceptable to the Revenue. And this has led some commentators to express the view that the leasing industry's soft underbelly must sometime prove too vulnerable a target for the Revenue to resist.

That underbelly is the contradiction inherent in all financial leasing. A lessor is entitled to the tax allowances only if his expenditure on acquiring the assets to be leased out is capital expenditure. If the assets are a normal part of his stock in trade, and leasing them is one of his normal ways of disposing of them, then capital allowances are not available. Nor is stock appreciation relief appropriate where the stock concerned is out on hire.

What is capital expenditure, or to use an older phrase fixed capital, is a question the courts have decided by going back to Adam Smith's Wealth of Nations: "Fixed capital is what the owner turns to profit by keeping it in his own possession, and circulating capital is what he makes profit of by parting with it and letting it change masters." Adam Smith's drift is clear, even if a modern draftsman would have substituted ownership for possession, and used stock or inventory in place of circulating capital.

> The Revenue may try to tax an employee on the benefit of his leased vehicle, or on the proceeds if the car is eventually sold.

But what is also clear is the fineness of the line between the making of profit from retaining capital items and hiring them out, and the making of profit by disposing of stock by every available means, including leasing. And that fine line becomes even thinner if one recognises that the substance of a finance lease is closely akin to a loan against the security of the asset, despite the form of the transaction being rather different.

The lessor usually calculates the rents he requires taking into account an estimate of the disposal proceeds he will receive for the asset at the end of the lease term. If in the event those proceeds are larger, then the lessee is frequently given a substantial part of the excess by way of rebate of hire. If the proceeds are less, the lessee may be called on to make up the deficit. It is easy to argue that the lessor's protecting his profit by such provisions is difficult to reconcile with Adam Smith's conception of profit derived from, and risks attaching to, the continued ownership of capital assets.

However, the Revenue claim that, as a generality, they are not attracted by the leasing industry's belly. Revenue intentions about car leasing, made clear in a Press release at the end of July, are to use the knife only to lance one specific boil, rather than to eviscerate the industry. The offending excrescence is the lease which envisages the car being sold at the end of the term at less than market value to a person connected with the lessee, usually an employee of the lessee company. The employee's benefit, in the form of the undervalue, derives indirectly from the lessee's higher rentals, but these were claimed to be tax deductible, while his benefit was exempt.

Various methods have been used by different lessors to achieve these objectives—and the size of the tax advantage sought has also varied widely. Because of this, the Revenue have made it clear that their attack on each scheme will be an individual one, using appropriate armaments from within the existing legislation.

One line they anticipate taking is to attack the lessor, either by denying him his 100 per cent allowance as already indicated, or by requiring that his tax be calculated as if he received the full market price on the car's eventual disposal, despite his actual receipt being less. A second possibility is an attack on the lessee, denying tax deductibility for the rental payments. They can be said either to be capital, or to be paid for something additional to the availability of the car, so that they fail to qualify as being wholly and exclusively for business purposes.

The Revenue may attempt to tax the employee on a benefit in kind comprising his obtaining the car at less than its full value, or if he himself sells the car may tax him on the sale proceeds he receives, using for this purpose an anti-avoidance provision originally enacted for a totally different purpose.

Those looking forward to battling the Revenue in the next few years may have their anticipations heightened if they read the press release carefully enough. The Revenue will not attack any one of the parties, lessor, lessee and employee, on more than one ground. But they do not say that they will not attack all those parties simultaneously and in parallel.

Playing the waiting game

MINING

KENNETH MARSTON

THERE was once a certain gold mining company engaged in an ambitious expansion programme so costly that only meagre dividends could be paid. The shares, however, were regularly recommended for the mine's long life prospects until one disgruntled observer added the words: "they should thus carry an appeal to those investors with similar qualifications."

Such thoughts might have been running through the minds this week of shareholders in **Rio Tinto-Zinc** and **Selection Trust** as they considered the interim results of these two UK-based mining finance houses. Both are well run, both have strong assets in the form of young mining operations and both are earning less in line with the slow-down in the world economy, especially as far as base-metal prices are concerned.

RTZ's half-year earnings have come out rather better than expected at £40.1m, or 15.9p per share, compared with £42.3m in the first half of 1977 when the year's total reached £82.3m.

The weakness of the U.S. dollar—in which the group's Australian iron ore sales are priced, for instance—has been a major factor in the fall in earnings. In fact, they would have been higher than those of a year ago if there had been no alteration in exchange rates.

RTZ Borax has done exceptionally well, although its performance is not expected to be maintained in the current half year. Particularly encouraging is the fact that despite all the production problems the big Rossing uranium mine in Namibia (South West Africa) has managed to make a small profit which suggests that if the political situation permits Rossing could be a real money-spinner when it attains full production next year.

As far as this year is concerned RTZ still expects that its total profits will be "somewhat lower" than in 1977. The interim has been unaltered at 3.5p net, but this does not necessarily mean that there will be no increase in the final which was 6p last time. RTZ, incidentally, is exempted from UK dividend restraint because of its high proportion of overseas earnings.

The big transformation scene for RTZ will come when copper and the other base-metal prices revive—as they surely will. The chairman, Sir Mark Turner, and Mr. Alistair Frame who has stepped up to the post of joint deputy chairman and chief executive, take a cautious view of the timing and strength of the revival.

Certainly, it would be too optimistic to expect anything dramatic in the near term. However, metal prices at least appear to be bumping along the bottom and, perhaps, the worst of the fall has been seen in the dollar. It is not beyond the bounds of possibility that RTZ earnings will be looking brighter in a year's time, but there seems to be no hurry to buy the shares.

Selection Trust has also done well in the current circumstances with a half-year profit of £5.35m. Because of the company's change in financial year-end from March 31 to December 31, the latest figures need to be compared with those for the six months to the end of last September when the net profit amounted to £5.56m.

In that period the group's sharedealing revenue was boosted by timely sales of £39m gilt-edged securities. A fillip to earnings on the latest occasion has been the resumption of dividends from the interest in Sierra Leone diamonds.

In view of the strength of the diamond market Selection Trust can look forward to a further dividend from Sierra Leone in the current half-year, but total revenue may not match that of the first-half. Selection Trust is thus still playing the waiting game.

The difference, from a sharemarket angle, between Selection Trust and RTZ arises from the recent cash and share bid by **Standard Oil of California** for the Amax mining giant in which Selection Trust has an 8.3 per cent stake. If accepted the offer would have been worth about 350p per share of Selection Trust; this compares with the latter's pre-bid price of 466p and yesterday's 488p.

Amax rejected the Socal offer. The sharemarket is now waiting to see whether Socal will come back with a better bid, or whether the fear of U.S. anti-trust objections may put an end to the matter. At the current price Selection Trust shares look to be rather more than fully valued if another offer does not come along for Amax. But the amount of "bid possibility" value in the price is still modest and shareholders should thus sit tight.

In Australia, the potential miners of the country's rich uranium deposits are doing just that—they have no other choice while prevarications continue in this long waiting game before uranium mining is permitted to start. The trouble is that the big wet in the Northern Territory is due to begin next month and it will put back any construction work until after next April.

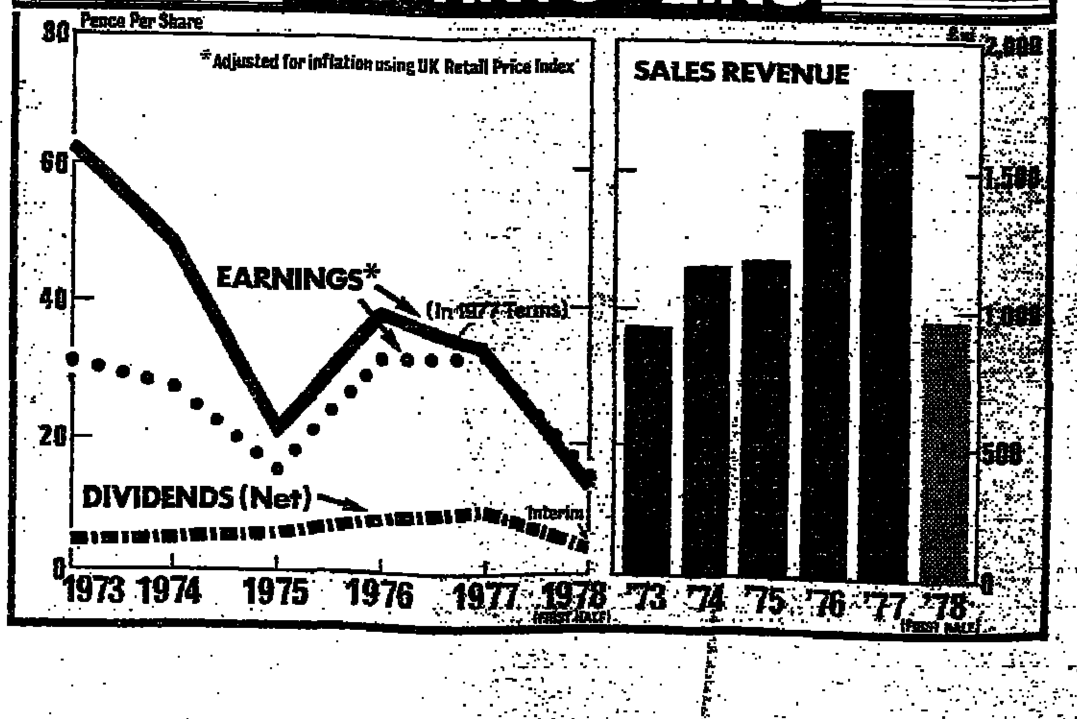
Last week it looked as though **Peko-Wallsend** and **EZ Industries** would be the first of the companies to start development of the deposits, the last major hurdle of agreement over the royalties to be paid to the Aborigines via their Northern Land Council having been cleared. But the long-running Australian uranium stop-go farce hasn't ended yet.

This week all is again in disarray following a split among the NLC members who say that they were not adequately consulted by the council before it reached the agreement on royalties. So the NLC is to review the agreement and the mining companies can do little more than put up their umbrellas and wait for the clouds to clear.

A more cheerful waiting game is being played by South Africa's **Anglo American Gold Investment**. While the U.S. dollar continues to sink to new lows, the price of gold edges up to new highs and the flow of increased gold mining dividends continues to Amgold which this week has reported a 45.7 per cent advance in earnings to R29.6m (£17.6m) at the half-way stage.

So Amgold sits and waits for the money to come in and a buoyant second half-revenue is in store. Latest statements from the producing mines again emphasise the rise in working costs, but so far the gold price is keeping ahead of them. **Kloof Gold Mining** is also in the happy position of expanding production and a "material" improvement on last year's record profits has been forecast by the chairman, Mr. R. A. Plumbridge.

Ironically, the weakness of the U.S. dollar, which is mainly responsible for the high bullion price, has had the effect of reducing the value of the dollar premium contained in London share prices. So they have gained no benefit from the higher gold price this week. At the same time, however, they have not been unduly unsettled by Southern African political uncertainties.



PROPERTY

Price plateau in Hampstead

BY JUNE FIELD

"A VILLAGE revelling in varieties," the poet Leigh Hunt called "Dear Hampstead," when he lived in the Vale of Health from 1816 to 1819, contrasting its "balmy fields in front and sloping green" with the "smoking roofs between." John Constable painted the great rolling spaces of the Heath, making his last home in Well Walk. Keats lived at Keats Grove (1818-20). George du Maurier at New Grove House, 1874-95, and Galsworthy at Grove Lodge.

The discovery of chalybeate springs in the 18th century gave Hampstead the attractions of a spa—waters could be taken on the spot at Well Walk, and bottles were filled and sold in Flask Walk. Today's proliferation of chic boutiques and trendy bistros and the smart new shopping precinct on two floors, Kingswell, at the top of Well Road, all provide an infinite variety too, plus a cosmopolitan atmosphere for a "village" that is only four miles from the centre of London.

Property has always been desirable in the vales and groves of both Hampstead and Highgate, the latter getting its name from the medieval toll-gate which controlled the old North Road's passage through the Bishop of London's Estate. Highgate, too, has been well immortalised in verse.

"As I came down the
Highgate Hill
I met the sun's bravado.
And I saw below me, fold
on fold,
Grey to pearl and pearl to
gold,
The land of Eldorado,"

wrote Sir Henry Howarth Bashford in the 1880s.

Over the last few years particularly, both areas have been popular hunting-grounds for the pop-star and the oil-rich, sending prices to their highest levels, with homes in the £100,000-plus getting to be quite the norm.

Now, with the lull in the Middle East market, and so many of the entertainment world gone to live in healthier tax climes, it is taking just that little bit longer to sell the expensive mansions of the north-west.

"Prices *have* levelled off, but business is still basically good," declares Bob Rogers of Benham and Reeves, with offices in Heath Street, Hampstead Village. Their *clientèle* includes a large percentage of business and professional people from Europe, Greece, Japan and the States, many of whom need to live in or near London, even if only for a short period.

A change in U.S. tax laws reducing deductions permitted for renting residential accommodation on overseas business trips, and the high cost of a furnished apartment, has made the whole idea of buying a property more attractive to Americans traditionally geared to a renting operation. Places ready to walk into, complete not only with curtains and carpets, but good quality kitchen equipment and a certain amount of fitted furniture are most in demand. "Living with someone else's taste in drapes is a hazard of the job," admitted one U.S. executive's wife.

A handsome double-fronted Edwardian house in Redington Road would be ideal for someone who has to do a lot of entertaining, as there are three good sized ground floor living-rooms, with a 23 ft by 14 ft 9 in (7 m x 4.5 m) dining-room, just about fitting Trollope's snobbish Archdeacon Grantley's requirements. He considered a dining-room of 16 ft by 15 ft quite impossible because it would only accommodate a round table, which he associated with oak, Dissenters and calico-printers.

There are 8 bedrooms and 3 bathrooms, including the "master suite" which has a useful dressing area with plentiful built-in hanging cupboards for those who follow Le Corbusier's sensible dictum, "never undress in your bedroom." The stylish architect being of the opinion, quite rightly, that sleeping quarters should also double as sitting-rooms and studies, a quiet place away from the family. Brochure on the house, on which offers around £225,000 were being sought, from joint agents Knight Frank and Rutley, 20 Hanover Square, London W1, and Benham and Reeves.

Currently you can also take your pick from Gracie Fields' former 1930s home in Frognal (she lived there with her first husband Archie Pitts in 1934), for which George Knight and Partners are inviting offers in excess of £1560.000; pop star Lindsay de Paul's handsome Gothic cottage in Holly Village, Highgate (built by Baroness Coutts in 1865 for her coachman to live in as a grace and favour residence), probably a snip at £100,000 for the charisma of the setting alone, and ex-Beatle Ringo Starr's exclusive Highgate mansion tucked away down a long, sweeping drive off a private road, which comes complete with 40-ft heated swimming-pool and a full-scale alarm system. In the £½ million class, it was just going under offer through Glentree Estates, 698 Finchley Road, N.W.11.

At the more moderate end of the market the lease of Darts' Pop Group saxophonist's pied a terre in Perrins Court in Hampstead Village (1 + 1, plus bathroom and kitchen, the latter cunningly concealed behind louvred pine doods), has just been snapped up at somewhere around £24,000.

Charles Lissack of George Knight and Partners, also in Heath Street, told me he finds that invesetment properties for conversion have made a reappearance in the market. "But they are mainly bought by professionsl. The capital needed is too great for amateurs. Developers expect to buy at about £150,000 top, and spend about £65-£75,000 on a property already reasonably well converted for short-stay tenants getting a return of 33 per cent on their money." The well-proportioned turn-of-the-century houses in Maresfield Gardens provide the popular hunting ground at the moment.

Dame Henrietta Barnett's Hampstead Garden Suburb, conceived around 1906, continues to appeal. In this *Buildings of England* series Sir Nicholas Pevsner praises it as the most satisfactory and socially the most successful of all 20th century garden suburbs. The original idea was to provide houses on the edge of the Heath for working people within a 2d tube ride from the City. In practice, the villas, priced from £425 to £3,000 attracted a wider group of professional people. At present the stylish neo-Georgian Lutyens houses of silver grey bricks with red trim fetch 200.00 0or so, the sturdy family huoses in Kingsley Way around £75,000 and the done-over artisan's cottages around Willifield Way, about £40,000.

Focus 21 have a new development of two-storey three to four bedroom, two bathroom Georgian-style from £52,500 at the Meadway end of Temple Fortune Lane, with a show house open between 2.00 and 5 p.m. Brochure from Benham and Reeves.

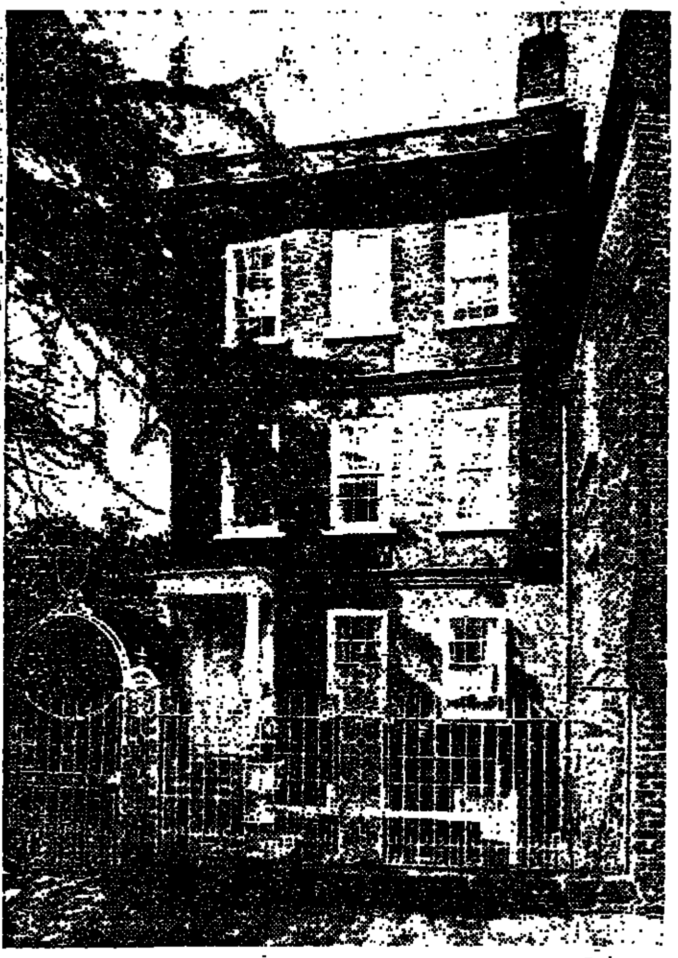
One agent, or perhaps *entrepreneur* is a more suitable description, who will allow no hint of there being any dent in the market, certainly not at the top price cash buyer level, is enthusiastic 24-year-old South African Trevor Abrahmson who set up as Glentree Estates some two years ago. Backed by the controversial financiers Bob Tanner and Peter Whitfield, the Glentree offices are in the original Finchley Road premises of Clubman's Club which the pair sold out to Mecca.

As Trevor ("its all Christian names here"), did not want to be associated with what he calls the fuddy-duddy image of most of the British estate agents, "We are a highly motivated dynamic selling operation," the decor is fairly off-beat, with bamboo chairs, bright green and white paint.

The firm's logo, a stylised two-tone tree created by the graphics designer of the Coca Cola Company, appears on the handsome green and gilt property portfolio which includes a map of the area with an appointments chart on the back for you to list your viewing times and comments.

These are only given to serious enquirers after a personal visit. "We prefer to deal personally with all our clients rather than just sending out details of properties," insists the incredibly confident young man who first made news when he sold ex-Pricerite boss Geoffrey Kaye's £1m house to an Arab. "After that things just took off, with people buying houses like there was no tomorrow." He claims to have sold £25m of property over the past two years, anticipating a turnover of £500,000 this year.

So what is new and different about Glentree's marketing methods? "The average English owner generally needs some direction. For instance if you say you want £80,000 for your house, and it is in the right location, I will more than likely get you £95,000 because you haven't realised its potential." Can't be bad.



The asking price of this Grade II listed house, 12 Church Row, in one of the most desirable parts of Hampstead, is in the region of £165,000. Yet it still needs some modernisation. There are 5 bed rooms, 5 living-rooms, 2 bathrooms, 2 kitchens and a wine cellar. Full details Chestertons, 26 Clifton Road, London W9.

Finding holiday property with reliable management and some degree of dependable letting performance is difficult these days. The Shannon Free Airport Development Company, the Irish Tourist Board and the Republic's Government have long co-operated in their Rent an Irish Cottage scheme, which offers tourists thatched cottages in village settings but with full mod cons, including central heating. The idea is to revitalise villages which might otherwise die. Now some of the cottages are for sale, from £19,000 upwards (cheaper ones may come soon), in Finnavara (near Miltown Malbay) and Carrigaholt, both in Co. Clare. Other sites are available occasionally, but only ten or so cottages a year are on offer. The Development Company, Shannon Town Centre, Co. Clare, Ireland, will send details. ARTHUR SANDLES

PROPERTY

ESTATES AND FARMS: INVESTMENTS: SHOOTING: COUNTRY PROPERTY: OVERSEAS PROPERTY:

LEISURE

The ghost trail

TRAVEL
SYLVIE NICKELS

UNTIL THE FT in its wisdom decided to investigate the holiday aspects of haunted Britain, I had no idea we had so many ghosts. As neither a sceptic nor a believer, I could be fairly easily blown off my fence either way, and have a sneaking feeling it would not take many bumps in the night to clinch the matter. That said, the line between ghostly fact and fiction is more than usually blurred I find. There is a pub in East Anglia, for example, where strange happenings are attributed to previous owners whom I knew extremely well—and though the happenings may be true, the romanticised explanation for them is certainly not.

For some reason, the north-east of England seems particularly well endowed with bizarre goings-on, and with interesting ways of becoming acquainted with them.

Visit Northumbria (35/37 Claypath, Durham City DH1 1TP), well-established for all kinds of special interest tours in those parts, devote an eight-day package to what is described as "the trail of the boggles." The tour is based on university accommodation in Durham, guides and guest lectures unfold the ghostly facts of the city and its lovely surrounding countryside, but wisely "hauntings are not guaranteed!" The details for these summer tours will shortly be available for 1979; the cost, with half board, all excursions, some lunches and talks by experts, will be about £80.

For this autumn, there are the ghost-hunting weekends of Enrichment Travel (53 Skeldergate, York YO1 1DS), taking place the last weekend of October and November in that fine old city. The cost of £29.50-£42 (according to accommodation) covers two nights with half board, coach tour to haunted sites deep in the Yorkshire countryside, a guided walk round haunted York, a sherry reception, museum visits and talks by experts. If you happen to be passing through York on a Wednesday or Friday, the same company's ghost walks leave the Black Swan Inn, Peasholme Green at 8 pm (check in advance after mid-October).

Bath is another city with guided ghost walks starting from the Nash Bar of the "much haunted Garricks Head" every weekday at 8 pm until the end of October, and once a week after that. Further west still, the countryside is particularly rich in unlikely happenings, with Cornwall topping the list. Here indeed is one of our two witchcraft museums (at Boscastle) and here, of course, King Arthur traditionally was born (at Tintagel), subsequently peppering the landscape with sites associated with his legendary deeds.

My Scottish friends tell me that ghosts are rampant north of the border. One of them, not known for outrageous flights of fancy, actually saw a costumed figure of sad countenance before learning that the house he was visiting was haunted (his host, on returning to the room, took one look at my friend's ashen face and knew instantly what had happened). That was in a private house, but there are plenty of haunted hotels, houses open to the public, castles and even chunks of haunted scenery—like the red glow which hangs over the battle scene of Killiecrankie each July 27.

A rather surprising sight must be the figure, sometimes headless, in dungarees and boots said to put in an appearance at the Ravenscraig Steel Works at Motherwell. More traditionally dressed in Victorian costume is the young "Grey Lady" who enjoys watching TV in the lounge of the Kings Arms Hotel, Dunfries.

The stranger events of Wales seem to be particularly associated with wells. According to one of my sources, over a thousand of them—wishing, cursing, healing or holy—have some legend or belief attached to them, often concerned with cures. Among residential ghosts is Robin Ddrwg, or Bad Robin, connected with the very attractive 16th century timber-framed Maesmawr Hall Hotel at Caersws, Powys, well placed for touring, walking or fishing in mid-Wales.

Enquiries in my own part of the south Midlands showed that we appear to be a rather down-to-earth lot. I did try my luck at nearby Edge Hill, where it is said that the famous battle is re-enacted in the sky: but perhaps it was expecting rather a lot on a bright August evening. All the same, I plan to visit the venerable Weston Manor Hotel, not many miles away in Oxon's Weston-on-the-Green, as much for its reputed charm and excellence as for the prospect of its haunting nun. And perhaps I'll also nip over to the George Hotel at Wallingford in neighbouring Berkshire. Here, at the time of the Civil War, a young Royalist sergeant was murdered and his young lady, weeping uncontrollably, mixed her tears with soot which to-day still form part of the decor of the Teardrop Room.

Local tourist offices and regional tourist boards will be able to guide dedicated ghost-breakers to likely locations in their areas, and the addresses and telephone numbers of over 550 of them throughout Britain are listed in a new leaflet "Tourist Information Centres" available from any of the centres or from the English Tourist Board (send a 9 ins. by 4 ins. s.a.e.), 4 Grosvenor Gardens, London SW1W ODU. Helpful publications include "Haunted Britain" by Antony D. Hippisley Coxe (Hutchinson and Co.); Aidan Chambers' Book of Ghosts and Hauntings (Puffin Books); "The Ghosts' Who's Who" by Jack Hallam (David and Charles). And its not so long before Hallowe'en, so Good Haunting. . . .

Garrick's Head, Bath: much haunted and starting point for ghost walks.

Your Weekend £: Austria 27.40, Belgium 62.25, France 8.50, Italy 1.618, Greece 69.00, Spain 141.75, Switzerland 2.98, U.S. 1.9525. Source: Thomas Cook.

Face to face with a legend

GOLF
BEN WRIGHT
Fiji, Friday

THERE ARE MANY personal peaks and valleys throughout every season in the mostly charmed life of an itinerant golfing scribe. The major championships of the world obviously constitute the four highest peaks for most. But the mouth-watering prospect of a round of golf played in the exalted company of the legendary Texan professional Byron Nelson at marvellous Prestwick next Monday, followed by a quick dash to Akron, Ohio, hopefully to watch Sevy Ballesteros win the exclusive and lucrative World Series of Golf over the South Course of the Firestone Country Club, makes the wrench of leaving the beautiful Pacific Harbour Golf and Country Club here in Fiji merely a long and tiresome journey from peak to peak.

To play alongside Nelson in the British Caledonian Pro-Am will be the realisation of a career-long dream, since the great man has seldom played in public since retiring some years ago. Of all the truly great golfers in history I know less about Nelson perhaps than any other, despite a warm friendship that came about through our mutual involvement as commentators on rival American TV networks.

What I do know is that many shrewd judges maintain that at his peak, shortly before his premature retirement because his nervous stomach would no longer tolerate the pressures of top-class competition, Nelson was a better player even than Ben Hogan and Sam Snead, two of his keenest rivals.

If Jack Nicklaus at his best couldn't get near Nelson's all-time record of 11 consecutive victories on the U.S. tour in 1945—and he couldn't—then no-one else ever will. I would love to have been old enough to have watched at least some of the miraculous golf Nelson must have played in establishing the greatest streak in the history of the game. For instance, in the course of compiling it, Nelson established another record that is in little danger of being beaten in my lifetime, despite the increasingly sophisticated nature of both clubs and balls, namely to break 70 in 19 consecutive rounds.

Nelson actually went on to win a 12th successive tournament. But the USPGA would not recognise the victory as official because the prize money at Spring Lake, New Jersey, was $500 below the accepted minimum total purse of $3,000. In that golden year Nelson went on to win another all time record, 18 tournaments in all, five more than Hogan achieved in 1946, the year following. Hogan also won 11 in 1948, and Snead ten in 1950. No-one else has reached double figures in a single year since, Arnold Palmer (eight victories in 1960) and Johnny Miller (eight in 1974) having come closest.

Nelson's third victory of the 11 in succession was recorded in the Greensboro Open, for which he earned $1,333 against the $48,000 Ballesteros picked up in the same North Carolina City this Spring. In the same season, Nelson recorded the third largest margin of victory of all time on the American tour, winning the Seattle Open by 13 shots with a score of 21-under-par. Would you believe that the greatest winning margin ever was achieved by South African Bobby Locke when he won the 1948 Chicago Victory National Championship by 16 strokes?

Another wonderful record Nelson achieved in his meteoric career in the 1940s was to finish in the money in 113 consecutive tournaments, which Nicklaus came nearest to beating with 105 between 1970 and 1976. Nelson also won three consecutive tournaments in 1944, 1945 and 1946 against Snead's one in 1945 and Hogan's only hat-trick in 1946. Yet for his 11 successive victories Nelson won only $34,849 in war bonds. His total for that year was $63,335, a figure that was not exceeded until 1954. And when Palmer was first the year's leading money winner, in 1958, he won but $42,607. Nelson's share was gleaned out of a total of $435,380 for 36 events against the $1,005,800 on offer in 39 tournaments in 1958, the first year purses in America exceeded $1m.

In a sense, Ballesteros's rise has been even more meteroric than that of Nelson, in that he has already won 16 times—including two World Cups—in three years on several continents. Is he good enough yet to beat the best in the world? I believe so. Ballesteros's unbelievably long and increasingly accurate driving and brilliant short game is perfectly suited to Firestone's immensely long par fours, which make the South Course one of the toughest par 70s in the world.

Last year, on only his second trip to America and when plagued with back trouble, Ballesteros had rounds of 69, 73, 70 and 69 to finish ninth out of 20, and in front of Tom Watson, Ben Crenshaw, Lee Trevino, Bruce Lietzke and Hubert Green, a fantastic performance for such an inexperienced youngster. A successful defence of the World Cup with a different partner last winter—Antonio Garrido instead of Manuel Pinero—and victory at Greensboro this spring have given Ballesteros the idea he can beat the world's best.

What a tremendous fillip to European and Spanish golf victory in Akron for Ballesteros would be. And how damning of British professional golf that our first representative in the event since it was rejigged to include the best foreigners from their respective zones is our amateur champion of 1977 and 1978, Peter McEvoy.

Australia's most talented youngster, Greg Norman, has hardly fulfilled his promise in Britain and Europe so far this year, so his victory in the Gilbey's Gin South Seas Classic here at Pacific Harbour last Saturday at the third hole of a sudden death play-off against California's Sandy Galbraith came exactly at the right time.

Testing times for the thirsty

MOTORING
STUART MARSHALL

FOR TEN years now, the Mobil Fiat Economy Run has been proving that the driver who wants to save petrol doesn't have to go so slowly that he gets in everybody's way.

This year's run took place last week in the area between Bari and Brindisi, in the heel of Italy, where the roads are hilly and winding and there could be a heavy truck or a mule cart round any blind corner.

The car used this time was the new Fiat Ritmo 65. This 1.3-litre hatchback, with a transverse engine and five-speed gearbox, proved to be an excellent economy car. The engine pulls smoothly and hard from little more than tick over speeds and the high overdrive top gives slightly more than 20 mph per 1,000 rpm. The Ritmo makes its British debut at the Motor Show at the NEC, Birmingham, next month, but it will not be sold here until early in 1979.

The Mobil Fiat Economy Run was no pussyfooting affair of low average speeds. The maximum time allowed for the 60-mile course was 90 minutes and if you could do it in less, then so much the better. The cars had special flexible fuel bags which were weighed before and after the run to get a dead accurat consumption figure.

Competition really does bring out the worst in some people. To defeat contestants who might try to bend the rules, the cars were fitted with tachographs. These instruments, linked to both engine and transmission, are combined recording clocks and speedometers. They reveal any skullduggery like turning off the engine to coast downhill in neutral or with the clutch pedal depressed. This year, no one tried to beat the tachographs. Previously, some who had thought they were smarter than the machine found to their cost that they weren't.

Bearing in mind that motoring correspondents have earned a justified reputation for having leaden right feet, the average speed/consumption achieved was remarkable. The mean figures were 43.3 mph and 47.8 mph. Some were slower and more frugal on fuel; others quicker and less economical. The slowest were not necessarily the least fuel-wasteful, nor was the contrary true. Five journalists—none, alas, from Britain—betterd both the speed and consumption averages. The slowest driver, a German, scored less than 47 mpg. But the fastest, a dashing Portuguese who must have been driving very hard indeed to average 47.2 mph, still managed to exceed 42 mpg.

My point is that driving technique meant more than speed (or the lack of it) in the Mobil Fiat Economy Run. In practical terms, it demanded that on reasonably level ground, one tried to hold 55-60 mph. Gradients were climbed, ideally in top or, if forced to, in fourth. Downhill, you went as fash as you could on a trailing throttle. In town, you kept an eagle eye on the way traffic was moving ahead and prayed that people would not pull out in front of you.

In economy driving, the golden rule is never to stop unless it is absolutely unavoidable.

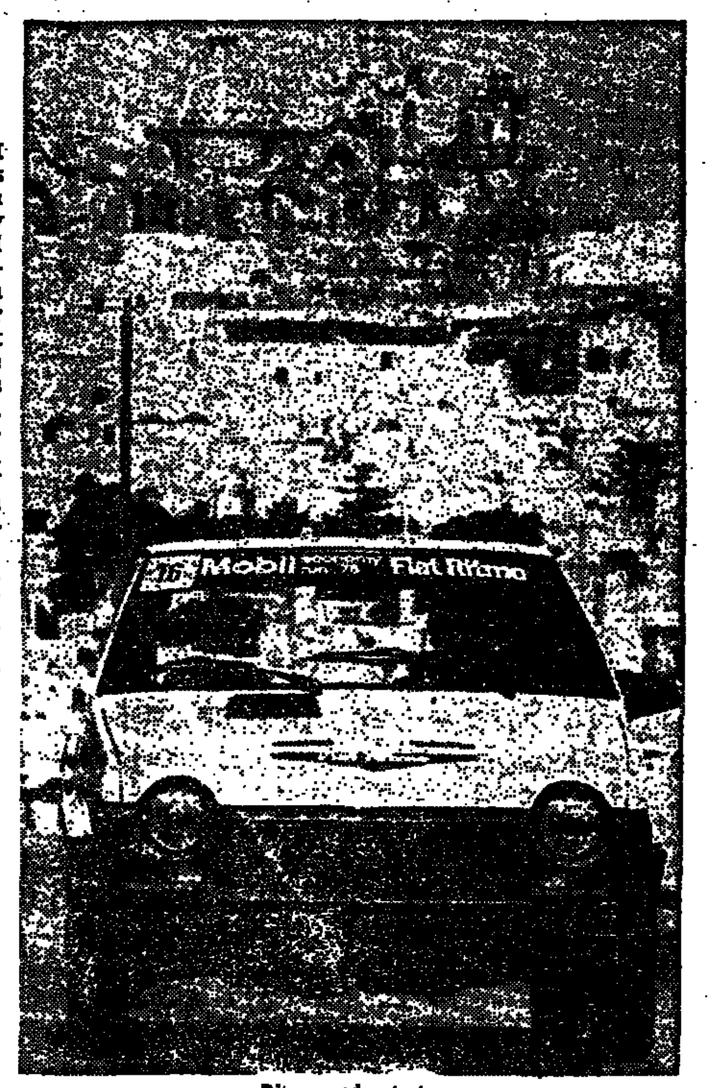
Braking, after all, converts energy into frictional heat in the brake discs and drums, and then you have to use more petrol to get back up to cruising speed again. And you try to get up into top gear as soon as possible and stay there for as long as you can.

How practical, though, are the techniques of economy driving when applied to the everyday use of a car? I admit that during the Mobil Fiat run, I held on to top more than I would normally and sometimes went downhill a bit faster than I should have done, especially if I could see a rise ahead and wanted to climb it with minimum acceleration. I wore a very light pair of shoes, for senitive throttle control, but lacked the fanaticism of some colleagues who had the windows closed tightly all the time. Keeping cool in sweltering sunshine meant more to me than reducing the drag factor by 0.0001 per cent, as it would with even the most conservation-minded car owner.

Unquestionably, impatience is the enemy of economy, whether in normal motoring or on a special event like the Mobil Fiat run. The competitor I saw overshooting a turn, braking to a tyre squealing halt and backing up for 50 yards put himself out of the running with that single mistake. And those who followed too closely behind trucks to spot opportunities to overtake safely with gentle acceleration also put themselves at a disadvantage.

Britain no longer has an oil company sponsored economy run since Total dropped theirs and never has had one like the Mobil Fiat event, run jointly by an oil company and a car maker.

Perhaps it is time that we had.



Ritmo under test

Kip, Knyff and Hampton Court

GARDENING
ARTHUR HELLYER

IT IS no surprise that a big row is developing over the proposal to fell one of the four great lime avenues at Hampton Court. The whole project has been kept suspiciously secret and now that it has been ferretted into the open the reasons given for the clearance are even more bizarre than usual.

No one, not even any of the beaurocrats of the Department of the Environment who are responsible for the upkeep of Hampton Court, is in any doubt that these avenues are of great historic importance. The trees have not been suddenly struck down by some incurable disease nor are the majority of them particularly old. More than half the 180 trees involved have been growing for less than 50 years and have at least another hundred years of useful life ahead of them. A considerable number have actually been planted in the last 15 years.

This is because a sensible policy of culling and replacement has been carried out at Hampton Court for a very long time. It is doubtful whether any of the original lime trees planted at the command of Charles II soon after the restoration of the monarchy are still growing in any of the avenues, though some may well be at least 200 years old since that is when replacement is likely to have commenced.

So why suddenly change direction and reverse a policy so sanctified by time, so demonstrably effective and so satisfactory to everybody concerned? Well it would appear that someone at the Ministry has been studying the remarkable perspective plans made by Leonard Knyff and engraved by Joannes Kip and has come to the extarordinary conclusion that they depict Hampton Court as it ought to look to-day. Knyff was a Duchman born in Haarlem in 1650 who came to England as a young man and worked as an artist. He gained admission to many of the great homes of England by offering to draw rather flattering plans of their estates. This he did by adopting an imaginary viewpoint several hundred feet in the sky which provided an aerial view of the place and allowed every twist and turn of design to be revealed. Perhaps because most of the gardens were still very young, but I think more likely to enable the pattern to be more clearly delineated, he drew all the trees and shrubs very small and gave them identical formal shapes.

By 1702 Knyff had completed 69 drawings and Kip then engraved them and they were published in two volumes one called "Brittania Illustrata" which appeared in 1709, the other, "Nouveau Theatre de la Grande Bretagne," following in 1724. Together they provide a magnificent record of the designs of the great estates of the late 17th century but they give little idea of what those estates actually looked like then, still less of what their designers intended them to look like as they grew to maturity.

What Charles II had asked for at Hampton Court was an immense patte d'oie of lime trees such as he had seen during his exile in France together with a stretch of ornamental water larger than anything previously attempted in Britain. So the Long Water was made stretching a full three-quarters of a mile towards Kingston with a double avenue of limes on each side. Two more avenues radiated at an angle of 45 degrees and a fourth avenue, also double, formed the base line parallel with the east front of the palace. This last avenue differed from the others in not being straight throughout its length but forming a huge semi-circle in the middle so enclosing a courtyard on a suitably grand scale. Later this was greatly elaborated by William of Orange but the intricate parterres which his gardeners laid out were impossibly expensive to maintain and in any case Queen Anne hated the smel lof clipped box of which they were composed so in her reign the Great Fountain Garden reverted to its earlier simpler form.

Knyff's plans show the whole thing at the peak of its grandeur and in the greatest possible detail. All the trees are identical mop headed standards which appear to be no more than 12 to 15 ft high though it seems certain that by that time they must have been far taller. John Evelyn had looked at them approvingly some 20 years previously and written of them as "sweet lime trees" adding some curses on those who dared to cut such trees down.

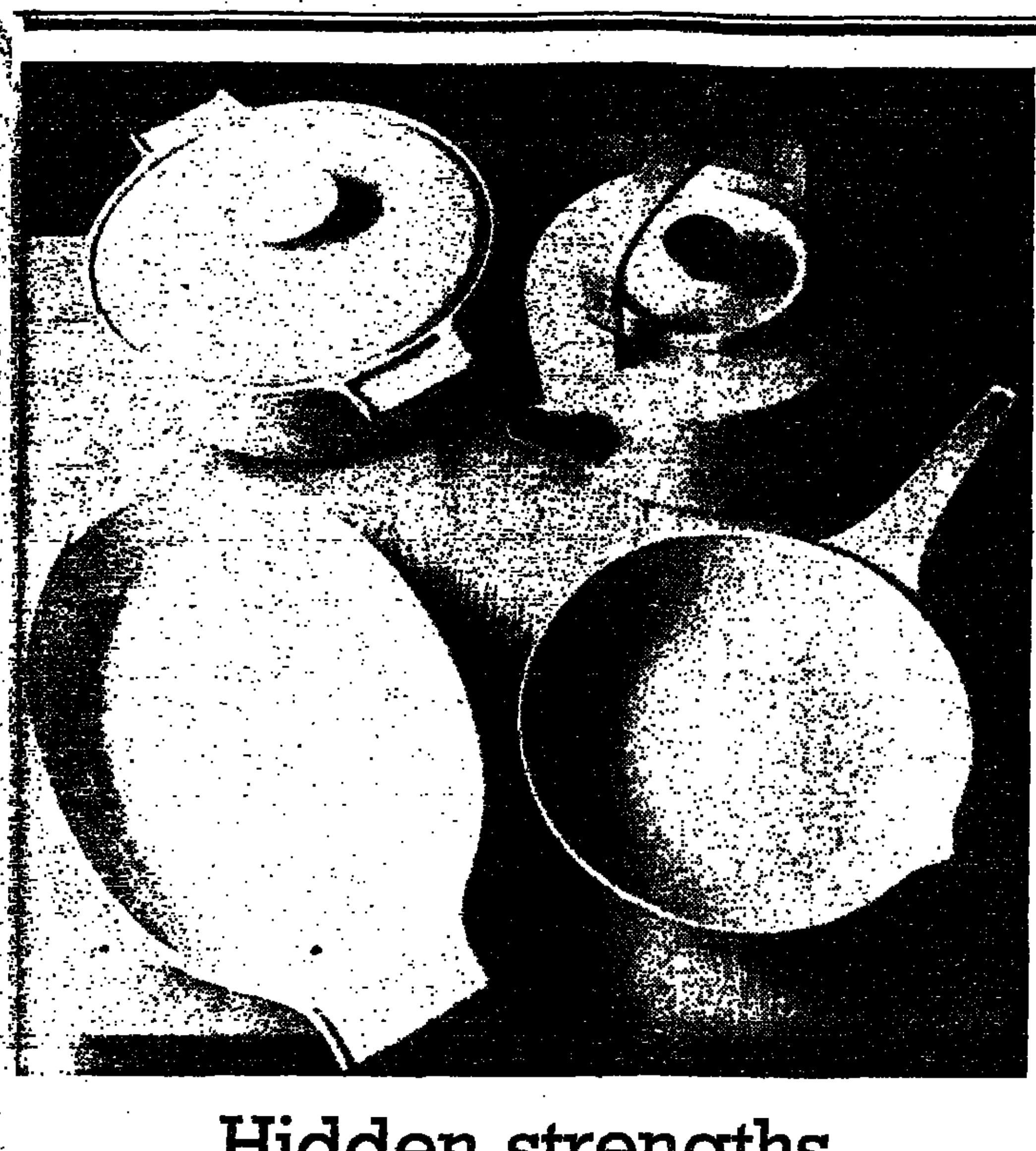
I am sure that he would love them even more today as does everyone else who walks beneath their shade—everyone, that is to say, except the men at the Ministry who want to cut them all down. For that, apparently, is their ultimate aim. They actually prefer Knyff's highly artificial pictures of a very immature garden seen from an impossible viewpoint (unless, of course, one happens to be flying in or out of Heathrow over Hampton Court), to the "sweet avenues" which exist there today. Some of the Ministry men are already talking of the destruction of the base avenues as merely a prelude to the clean cutting of the whole complex of avenues to be followed by replanting with small trees which will, for a year or so, look just like a Knyff plan. What stuns me is the implication that somehow these new trees can be prevented from growing; can be made to remain small, neat and uniform. Are they to be sprayed annually with a growth retardent, or clipped in the French poodle manner or replanted every decade? Clipped trees were laughed out of fashion in Britain two and a half centuries ago by Addison, Pope and all their associates. There is no prospect that the tree-loving British would stand for any attempt to resurrect it at public expense.

I understand that Baroness Birk, the under-secretary on whom the immediate responsibility for a decision now rests, has visited Hampton Court, there to inspect the avenues for herself. I hope that when she does so she will, for a few moments, put out of mind all that she has been told by the experts on either side and look at the avenues solely through her own eyes. If she does so, she must, I feel certain, be immediately convinced that they are beautiful and that they provide an amenity as well as an historic record which it would be criminal to destroy.

There are maybe a dozen trees that should be felled quite soon. There are also a few gaps waiting for immediate replanting and, some old or damaged trees in need of surgery which could increase their life expectancy by another 40 or 50 years. By that time all the trees recently planted will have reached maturity and the avenue will still be one of the sweetest in the land and few people will have noticed the change of trees.

HOW TO SPEND IT

by Lucia van der Post



Hidden strengths

I'M NOT usually prone to enthusing about cookware. It is the sort of thing we all need, have to buy but don't take a great deal of pleasure in doing so. A new Danish range of cookware has rather changed my attitude. It is quite simply one of the nicest looking, most well-thought out, most desirable ranges I have seen for a long time.

Designed and produced by the Danish firm of Copco, and made of tough cast iron, each piece is coated with a double-fired porcelain enamel surface in a lovely pale biscuit colour. The Copco range has been around for some time (in brown, dark blue, bright yellow) but it is the new biscuit colour which, to my mind, transforms its appearance.

A small selection of the available designs are photographed below but there is also a much larger (7½ pint) casserole, two wooden-handled frying-pans with lids, two saucepans with wooden handles and lids, as well as a wooden-handled kettle-cum-tea-pot.

Though made from cast-iron, the pieces are not indestructible and will need a little care in use. Basically, they do not need and should not have too high a degree of heat. The user should avoid subjecting them to too sudden or extreme a temperature change. You should use wooden or plastic spoons to avoid chipping and scratching the porcelain finish and should never use harsh powdered cleansers or steel wool. If properly looked after they should last a life-time and I certainly think they are nice enough looking to warrant a little care.

At the moment Heal's of 196, Tottenham Court Road, London W1 is selling the entire range in the new biscuit colour with a 25 per cent introductory reduction—this only lasts until October 14 but it is worth taking advantage, as the prices are not cheap. The Paella dish is now £12.90 (usually £17.25), the small lidded saucepan is £12 (usually £16), the omelette pan £7.90 (usually £10.55) and the small casserole is now £12.25 (usually £16.35).

Swell mushrooms

I CAN never understand why France, which is roughly in the same climatic band as ourselves, offers for sale in almost every market-place up to twenty or thirty different varieties of mushroom while here we mainly have to content ourselves with button or field mushrooms. Those who have tasted those heavenly-scented fungi in France and miss their sublime influence can at least buy a goodly selection of them dried. Mushrooms, inexplicably, do dry very well and a few of these, reconstituted and properly used, will add a subtle perfume to your stew or soup—or even to some scrambled eggs.

Robert Jackson of Piccadilly and Sloane Street, London SW1, have quite a selection on sale—there are dried Girolles or Chanterelles at £2.45 for 40 grammes, Morilles at £3.20 for 25 grammes. Horn of Plenty (these have a taste distinctly reminiscent of the heavenly truffle) are £1.30 for 40 grammes and gyromitres are £4 for 40 grammes.

The most usual way to use the dried mushrooms is to reconstitute them first in hot water—if possible soak them for several hours but if you're pushed for time 10 to 15 minutes in very hot but not boiling water will do. Save the liquid—it has a lovely flavour that can be used in the sauce, if you're making one, or for soup. Two simple ways to use the mushrooms are to stew them gently in cream and serve as a side dish, to accompany a simple piece of veal or a roast. Or, after they have been reconstituted, cook them gently in butter with a chopped onion. Cover with boiling cream, add salt, pepper, juice of lemon and serve with fried croutons.

In the packet they keep more or less indefinitely, so they should be a part of every keen cook's store cupboard. Once opened, store in a jar with a tight lid and don't keep for too long. You can order them by mail order if you don't live in London—add 20p per packet.

Small but special

I'VE ALWAYS liked John Alan Designs. Though based in a small shop at 75 Parkway, Camden Town, London NW1 they seemed to offer a style and an approach to furnishing that matched mine. Since I first discovered them many years ago they have grown considerably. They now have two shops—another at 4 Harcourt Road, Redland, Bristol—and they have expanded their range of services and produced a very helpful and useful catalogue, describing what they do and illustrating all the things they sell.

As they themselves say in the introduction, "we do not pretend to be all things to all men." They are still, relatively speaking, small and they offer a definable style which, on the whole, you either like or you don't. If you do find that you like their style you will be amazed at the range of goods they now carry and the comprehensiveness of the services they offer.

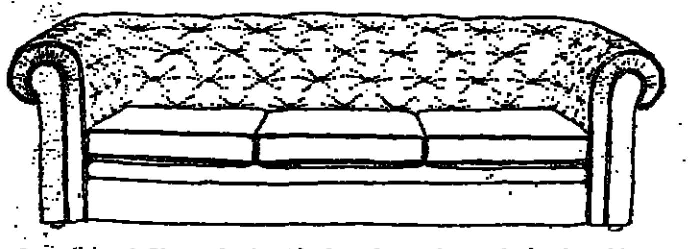
John Alan Designs still sell exclusively the famous Isokon chair, designed many years ago by Marcel Breuer (there it is sketched below left). They still offer a large range of bentwood chairs and their simple but comfortable and pleasing sofas. These they will now cover for you in one of about 400 fabrics.

They offer a big selection of storage and display units which can be arranged in many different ways and can be ordered in a large number of different veneers and colours. Kitchens are individually made for each customer in a wood of his choice.

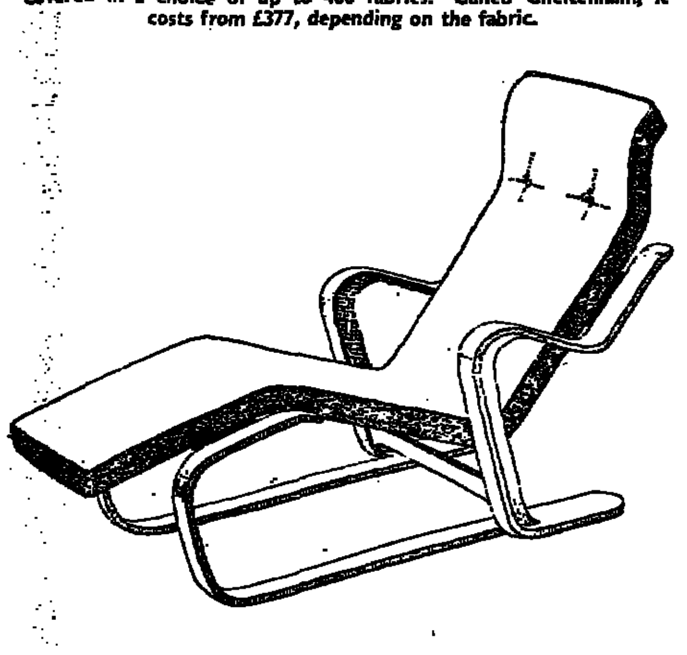
The large items are normally made to order but there are plenty of small things, like mirrors and shelves, of which they carry ample supplies and can usually be bought on the spot. Then there are clocks and coat-hooks, occasional tables and bookshelves. There's a good selection of sofas that turn into spare beds, and a sprinkling of all-time classics. Apart from the Breuer chair, they also sell the Herman Miller chair and stool from the Aluminium group, as well as Charles Eames's lounge chair.

Pulling a home together though, is often the most difficult part of furnishing—persuading somebody to find a tile that matches a fabric, or getting blinds in just the right shade. These are services that the interior design service will offer.

If you want to decide whether or not the John Alan style is for you, here are just three of the many things to be found in the new catalogue. For a copy write to John Alan Designs, 75 Parkway, Camden Town, London NW1, enclosing 20p for the postage.



A traditional Chesterfield with deep buttoning and piped cushions. It has castors for easy moving, reversible cushions and can be covered in a choice of up to 400 fabrics. Called Cheltenham, it costs from £377, depending on the fabric.



John Alan Designs has some very good stacking and foldaway beds. Above is one solution—the beds stack neatly on top of each other. They have a pine veneer finish and the mattress fits within the frame; 6 foot 3 inches by 2 foot 9 inches each, they cost £153, including the 4½ inch mattress, per pair. Left is the famous Isokon chair, designed before the war by Marcel Breuer but still one of the best-looking, most comfortable of chairs. From £245, depending on the wood and the fabric.

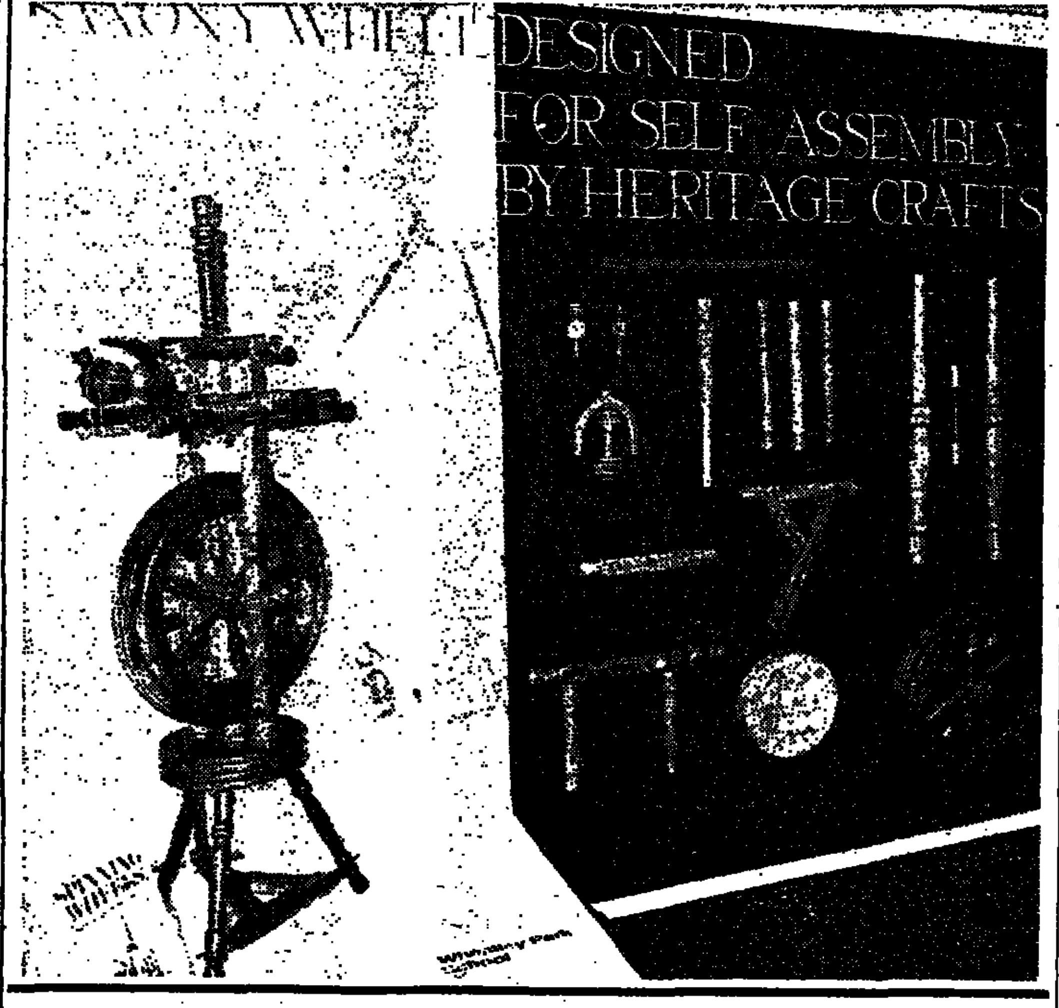
Diamonds forever?

WHEN I wrote about diamonds some months ago now I found it almost impossible to get a straight answer to the question—just how good an investment are diamonds? Readers who were similarly interested in the answer might be interested in the current edition (September) of Which? in particular the Money Which? section that comes with it.

Way back in 1970 Money Which? bought some unmounted diamonds to test their investment performance. Earlier this year they got them out of cold storage and took them round shops and dealers in London. Originally bought for a total of £379, only three of the twelve dealers made offers at all, the highest offer being £500.

Which? then goes on to point out that that was much less than they'd have needed to keep pace with inflation and certainly less than they'd have had, had they put their money into a building society (which would have reached £600). To keep pace with inflation they reckon they'd need to have been able to get £1,000.

So what most advisers have said all along is that obviously the only way to buy jewellery is to buy it for the pleasure it gives you, not for the profits it won't make you.



Home–spun

A VERY nice project that came to my attention recently was one of the award-winners in a competition organised by Alcan Extrusions in association with Oxfordshire County Council. All 42 secondary schools in Oxfordshire had to think of a project (any project they liked) and carry it through to the finished product—that is, they had to think of it, design it, make it and devise a marketing plan. The top award went to Drayton School, Banbury for a jig to assist in the soldering of small components on to electrical printed circuit boards but this is a product designed for industry and beyond my ability to assess.

More immediately useful and appealing to the ordinary man or woman was a finely-made spinning-wheel which won an award for the highest standard of craftsmanship.

Wheatley Park School produced a spinning wheel in a kit form and they chose to make it from Elm, feeling not only that Elm is an inherently beautiful wood but because of the tragedy that has overtaken so many of the Elm trees in this country, it will become increasingly scarce. The spinning wheel could thus become a rather rare heirloom.

Elm is also a notoriously difficult wood to work and would amply demonstrate the skills reached by the school's woodworking pupils. I don't know how many home-weavers there are who will actually be interested in using the wheel for spinning their own wool but certainly, when put together, it makes a very beautiful object in its own right.

It is interesting to note that several of the boys involved in the spinning wheel project have now left school and moved onto Rycote Wood College which offers courses in antique repairs and the making of reproduction furniture.

Recognising that it would not be able to meet orders for the kits, the school has passed on its drawings to the college where it is hoped to organise a group of college graduates into making the spinning wheels. The headmaster of the school, Mr. D. John, Wheatley Park School, Wheatley, Oxford is in charge of organising the making and distributing of the kits and all enquiries should be directed to him. The price will be about £65. Because all these will be individually made, orders will not be able to be fulfilled in a hurry.

A load of flannel

BATH accessories are not something I usually get excited about—in fact the last time anything new seemed to happen in that line was when we were first introduced to the continental mitt, instead of the face flannel, some years ago. However, this week a new, totally thought-out range of bath accessories has just gone into over 300 of Boots and Timothy Whites largest stores.

The range is called Cassa. It has been designed by Conran Associates and it bears all the marks of a really professional design approach. To start with the collection of items that forms the range offers variety without going overboard for too much variety—every piece in the range has a function, though this is not to say that everybody will want all of it. Most people would, I think, want three or four pieces, not more, but the alternatives on sale do offer a valid choice. Sponges, for instance, come with or without a 'friction' base, on or off a rope, with or without a hand-grip.

The colour scheme is very restricted and very chic—either white and brown or white and marine blue.

The range has also been designed to be as hygienic as possible—the sponge-heads are replaceable, the strap on the backstrap is machine washable, as is the towelling mitt. There's a sturdy hook on which you can hang any of the items with loops. Altogether there are 12 products—a sponge on a rope, a hand sponge and a body sponge, (drawing number 3) a long handled sponge (no. 5) for reaching even the most inaccessible parts of the back. All these sponges may be bought with or without a friction surface.) The sponges start at 75p for a simple hard sponge and go up to £3.85 for the long-handled sponge with friction.

The most unusual item and one of the most useful is the backstrap (no. 1)—in 100 per cent soft cotton towelling it is ideal for real rubbing. It is also the most expensive piece at £3.99. Then there's a towelling mitt (no. 2) at £1.79, a towelling face sponge at £1.49 and the plastic hook (no. 4) at 99p.

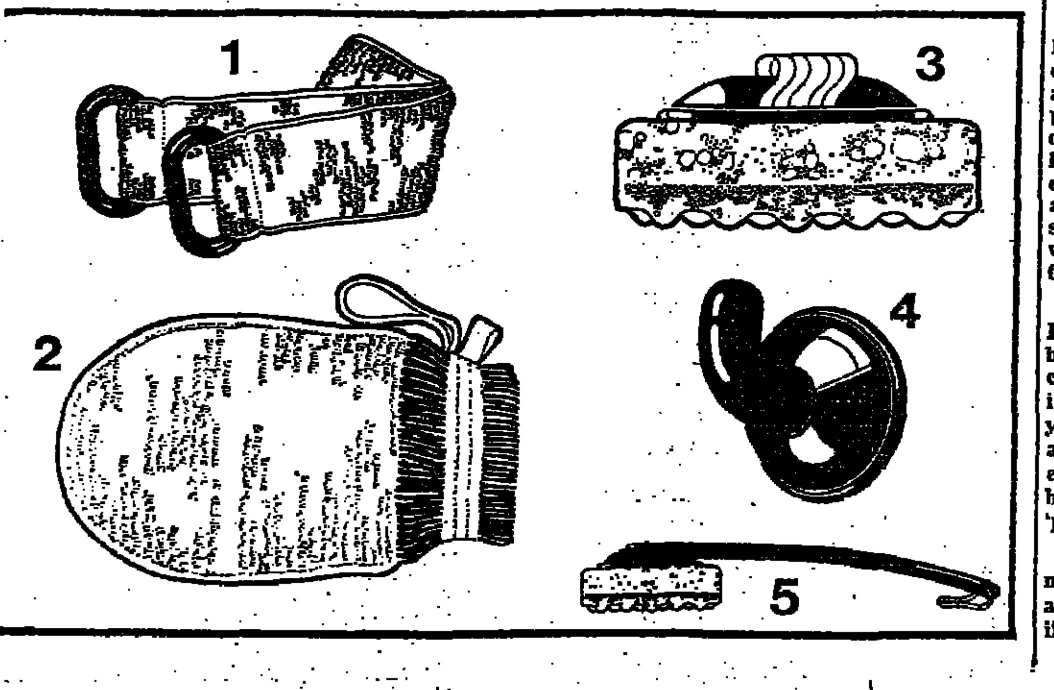
Friction's the thing

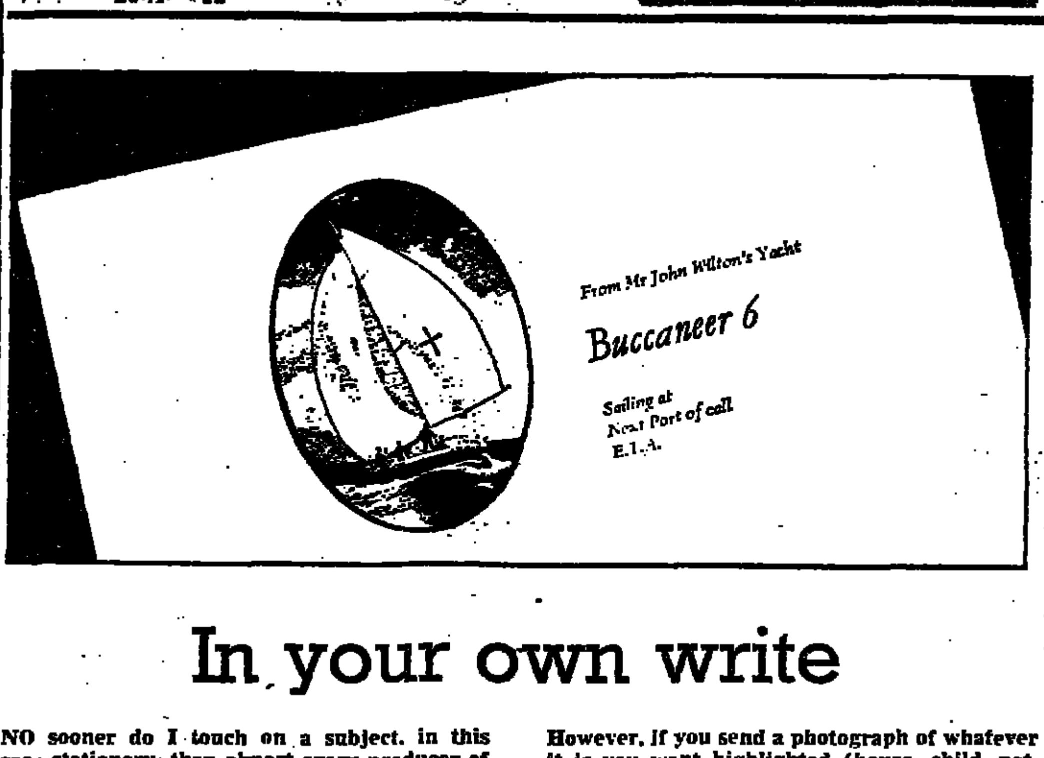
Friction is obviously this year's bathing fad—it seems to go with all that jogging and toning up that has become so much a part of the contemporary scene. Friction towels are the really chic way for the sportsman or woman to towel down. Liberty's of Regent Street have some particularly smart ones in combinations of either brown/green/white or red/white/blue. Made of 50 per cent cotton, 50 per cent linen, they are supposed to stimulate the skin rather in the way that a loofah does. Certainly every sauna owner should have one.

The name, Spartan, gives a clue as to who might like to have one. Made by Chortex, in the 4 ft by 2 ft size, they are £4.75 and Liberty's will post them for an extra 45p.

Christy's also do a friction towel and I am indebted to them for the information that far from being a modern idea, friction towels in fact originated during the American Civil War way back in 1862. They were devised when the Northern States blockaded the Southern ports so that England's supply of raw cotton was cut off. To the rescue came W. M. Christy and Sons with the idea of using flax instead of cotton — the result was the friction towel, with a coarse, rather wiry surface.

The Christy's towel comes in 4 colours—natural, green, blue or red and in two sizes. 2 ft by 4 ft is £4.95, while 2 ft 5 ins by 4 ft 5 ins is £5.95. There's also a matching mitt at 55p. Christy's have stockists up and down the country and you should find them in most good linen departments.

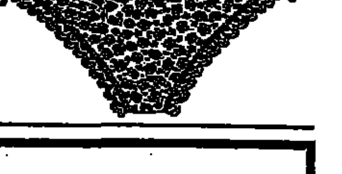




What a Liberty!

MOST PEOPLE agree that there's nothing like cotton next to the skin but have you tried buying a pair of cotton knickers? They're almost impossible to find and certainly most of the chain-stores I patronise seem only to offer combed cotton (not the same thing at all) or fibre mixtures. The underwear buyer at Fenwicks has long been a great admirer of Liberty prints and, feeling that they would be ideal for underwear, she persuaded a friendly manufacturer, Superotique, to make a sample line—since when, in retailer's jargon, "they have been walking out of the shop."

I can see why. They're deliciously pretty, in all the usual Liberty prints, some plain, some trimmed with lace. These are just for starters—next Fenwicks will be introducing Tana Lawn French knickers, bras and and suspender belts as well. The knickers are only in bikini size at the moment. Both cost £3.25 each, they can be posted for 30p p+p. From Fenwicks of New Bond Street, London, W1.



In your own write

NO sooner do I touch on a subject, in this case stationery, than almost every producer of a similar product writes to assure me that his particular line, which I have so unfortunately overlooked, is deserving of my attention. I have been inundated by stationery producers ever since I touched on the matter a few weeks ago. Most of the alternatives I have been sent have been honest, worthy enterprises but with little out of the ordinary to recommend them.

However, the Fairfield Press of Loxwood, Billingshurst, West Sussex, did seem to me to have something special to recommend it. It certainly won't be everybody's cup of tea as it specialises in featuring a picture of either your house, your boat, your castle or yourself at the top of the letterhead. I find it a bit extrovert for myself but I'm sure there must be many people who would love such totally 'personalised' stationery.

Most of what the Fairfield Press offers is much like most other stationery companies—a nice choice of colours and types, embossing if required, a choice of ink colours and so on.

However, if you send a photograph of whatever it is you want highlighted (house, child, pet, boat, something representing an interest of yours) this will be reproduced as part of the heading.

There is a big choice of layout; you can order Christmas cards from them or invitations, all personalised in any way you like. 200 printed sheets, A4 size, cost £6.80 with just an address and to have a photograph included would be an extra £5.00. Christmas cards and invitations are £7.50 for 50.

Basically, only two sizes are offered—A4 size, which arrives in a leatherette-type box designed to hold the envelopes and sheets of paper. The smaller A5 size arrives in its own double-sided wallet. 200 printed sheets cost £4.80 (again another £5 if a photograph is reproduced), while plain sheets are sold at £2.80 per 200. Matching C6 envelopes are £3.80 per 100.

Normally they like 21 days to fulfil orders and everything supplied to them is returned to the customer.

For complete details write to Fairfield Press at the address given above.

'ARTS

Unturning the screw

RADIO
ANTHONY CURTIS

'e difficulties radio has in ing truly to grips with a :ary masterpiece became :arent this week. The master- :e in question was *The Turn The Screw* by Henry James, e best ghost story in the ld" (Rebecca West). It was 1 in five instalments as The .k at Bedtime on Radio 4 by na Massey and supported with eature about the tale, *The ror at Bly* (Radio 3, Septem- : 19). One could not ask for better interpreter of Henry nes's poor governess than Miss ssey, and she was adept at ing appropriate voices for ster Miles, Miss Flora and . Grose, the very soul of idity.

Iost books at bedtime are -length novels—recently we e heard *Zorba The Greek*— ch obviously have to be cur- ed; even here there was a ling down. Yet of all James's ks this is the most carefully portioned, the gradations of horror escalating into the th of Miles. James's subtle ects of timing are wrecked by s, however well-intentioned. ere has been so much con- versy surrounding every word the tale that we needed to r them all or at least more them. I feel that none of the ular audience would have be- ne bored if the beautiful ding had lasted for two weeks d we had had the story at eater length.

One is reminded of James's ection to a request from his itor Sir Bruce Richmond. He s asked if he would cut four es from an article he had itten for the Times Literary pplement to make it fit the ge. "Yours is indeed a tcher's trade!" said the Master, mplying with the request.

How he might have reacted to e mountain of words that have en written since his death out *The Turn of The Screw* : can only guess. It was these al interpretations that were nscientiously assembled for r consideration in Neville ller's *The Horror at Bly*. Mr. ller was in the happy position being able to quote from the assey performance and also to nctuate his text, narrated by vin Campbell, with snatches om the Britten opera. It was admirable summary of the bate which has raged ever ice Edmund Wilson published s article "The Ambiguity of enry James" in 1934, but I felt needed to conclude with a live scussion in the studio to bring e issues more urgently to life What it all seemed to come own to was an argument be- een the Freudians and the ristians. The Freudians, led Wilson, believe the whole ing to be the outcome of the governess's hysteria and the ghosts to be erotic symbols inspired by her fixation on her employer; the Christians believe it all to be a war between the powers of light and darkness and the battleground to be the souls of the two children who are saved from the evil by the governess and then in the case of Miles, at the eleventh hour destroyed by her, through her peculiarly deadly form of spiritual pride. This is the line put out most persuasively by Dorothea Krook in *The Ordeal of Consciousness in Henry James* (1962) and at the end Mr. Teller seemed to let himself be persuaded by the force of Dr. Krook's argument.

The attempted rehabilitation of a delinquent youth by a well-meaning young woman was also the subject of Sunday's Drama Now spot, only here the boy was fully grown to manhood and the girl a student of sociology (the modern equivalent of a governess). She took him to her bed and lived with him as his lover for several weeks in order to effect a cure. All this in a modern German setting in Harold Mueller's radio play *Delinquent* (Radio 4, September 17), an internationally commissioned work translated by Steve Gooch and directed by Bernard Krichefski. It started rather slowly but then became absorbing as the boy (Christopher Guard) overcame his fear of the police and began to meet the smart intellectual friends of his earnest mistress (Glynis Brooks) and to blossom successfully among them as a guitarist. It is a story that we might encounter in real life but I felt there was something false in the telling of it. The exchanges between these two *socially* divided bedfellows did not ring true and the trouble seemed to be deeper than merely the difficulty of translating the jargon of the young offender from one language into another.

The movement in our own theatre that pioneered the kind of play that faces harsh social realities owes much to the work of Joan Littlewood and Ewan MacColl. They began to bring theatre to the people in places like the Girls' High School, Kendal, well before the Second World War. The story of how their work in the North of England survived official indifference and ultimately came South to find a permanent home at the Theatre Royal, Stratford East, leading to the West End triumphs of *The Hostage, A Taste of Honey* and *O What A Lovely War* was told in *Theatre Workshop* (Radio 4, September 20) by Howard Goorney, a former member of that company. Mr. Goorney gave an account of a slice of theatrical history with far-reaching consequences. Theatre Workshop is, alas, no more. It finally expired in 1972, but some of its staff are nowadays like Mr. Goorney filling important roles at the National Theatre.

Bette Midler in London

POP
ANTONY THORNCROFT

Bette Midler is a marvel, all two and a half hours of her, at the Palladium. While most American super stars seem to shed their reputation somewhere over the Atlantic Miss Midler (she is a natural Miss) really delivers. Oddly enough although her act is built around shocks and sensations by the end there is a cosy glow to it all and you think her a rather nice girl. Naughty, of course, but nice.

It is really Woody Allen on uppers, an outsize Jewish personality (why she was not brought up in Brooklyn I'll never know) building outrage on outrage. For starters she wears the kind of leopardskin cut-away, favoured by Hollywood tarts in the films of the 1940s, and her chat is not so much blue as purplish. She shows her class by re-writing her material for London. "Not only is Mr. Callaghan dull he is the cause of dullness in others." "I love the Royal Family. They make everyone else feel that they are part of the Third World." "You know what we say: when its 3.30 in the morning in New York its 1938 in London."

Bette Midler

Few artists can clown and joke for hours without getting tedious. Bette Midler manages it. She insults the "chumps" in the audience; bosses her backing trio of "girls" around: often falls flat on her face: throws her shoes into the wings: sends up Princess Anne, Kafka, and Shelley Winters in quick succession: and *generally* makes bad taste very funny. She has a running love affair with the 1940s and one particularly outrageous sequence finds her careering around the stage in a self-drive wheelchair dressed as a mermaid with a threatening coconut above her head. This gives her the chance to play up her two great enthusiasms—the tropics and low life. There is one slightly unnecessary bit when she mimes a Chaplinesque drunk on a bench, but for hours on end it is rivetting entertainment, not least a string of Sophie Tucker jokes that would have made Max Miller blush.

Bette Milder also sings. She can actually switch from obscenities to an emotional ballad with the dip of a spotlight, and her strange little figure is naturally vulnerable as she sings *Stay with me baby*. But it is mainly the raucous belting out of songs like *Friends, Do You Want to Dance* and an imaginative *Leader of the Pack* that keeps the performance roaring ahead. The backing trio are sent off frequently to change costumes and to be used as dummies in yet another cameo, and just when the excitement becomes *tiring* Bette *Midler is into I shall be released* and her first encore.

Of course, it is mainly her standard act, but rarely can more energy or talent have gone into the same jokes, the same songs, the same insults. It must be very demanding, very unreal, to be Bette Midler, but it is jolly lucky for the rest of us.

THEATRES THIS WEEK . . . AND NEXT

YOUNG VIC—*Ubu*. Peter Brook's company in both the *Ubu* plays, with some extra English dialogue. Tremendous fun. Reviewed Tuesday/Wednesday.

NEW END—*Will the Real Judy Garland?* Late-night biographical recollections of the real J.G. Reviewed Tuesday/Wednesday.

EVERYMAN, Cheltenham—*The Confidential Clerk*. Eliot's seldom-played comedy revived for the Cheltenham Fesival of Literature. Reviewed Thursday.

HAMPSTED—*Gloo Joo*. Hilarious piece about the tortuous shifts tried by a West Indian to avoid deportation. Essential. Reviewed Thursday/Friday.

WAREHOUSE—*Shout across the River*. How the debilitating effects of modern urban life hit a South London family. Reviewed Friday.

THEATRE UPSTAIRS — *Emigrants*. The miseries of the Irish at the time of the great famine. Political, poetical, anti-British. Reviewed Friday.

Libby Morris sings in *Shay* at the Upper Street King's Head from Monday, and at the same venue, a lunchtime adaptation of the Grossmiths' *Diary of a Nobody* opens on Tuesday. The new season at the Theatre Royal, Stratford, E15, opens with *Snapshots* by Rony Robinson, also on Tuesday. The National's production of Congreve's *The Double Dealer* at the Olivier on Wednesday, and at the ICA the Visionary Theatre continues with *All along the Watchtowers*. A new rock opera, *Future Shock*, at the Round House on Thursday, and at the Bush a play by a young American writer, *The Transfiguration of Benno Blimpie* by Albert Innaurato. Finally on Friday, the Citizens in Glasgow begins a new season with *The Threepenny Opera*.

The Blue Monster

THEATRE
MICHAEL COVENEY

The Unicorn's 30th birthday present to its squealing young audiences at the Arts Theatre, just off Leicester Square, is a vivacious re-working by Roy Kift of an Italian text by Carlo Gozzi, itself based on a tale in the Arabian Nights. The capital of old Turkistan is beseiged by a blue monster voraciously demanding the sacrifice of one woman a day.

The tale is compered by an Oriental singer with a balalaika, who introduces us to a couple of young provincial lovers. The girl is dragged off by the Emperor's soldiers but, en route for Tashkent, she is transformed, by a mountain deity in the form of a senile old man (for her own good) into a lissom soldier: when Stepan comes in pursuit of the abducted Zereh, he in turn swaps identities with the human inside the frail old man of the mountains. The first cruel trick of fate comes when the disguised Zereh is sent back to the pass by the Emperor to kill off the Creature God, i.e. her own lover.

Needless to say, the worst never happens, but not before a good deal of picturesque huff and puff in the city, with the people rising up in the delegated form of a disgruntled soldier and the languorous Empress mounting a seduction attempt on the faintly effeminate soldier boy. When the blue monster finally drags itself on to the stage, it does so in the form of an enormous Chinese, fire-breathing crocodile lurching about on four legs. The lovers are reunited on the execution block, but the axe remains in the air.

It is all great fun, even if Nicholas Barter's production is a little underlit and fuzzy around the edges. The response of the audience (average age about eight or nine) is itself worth savouring, and the entertainment plays at 2 pm on weekdays, half an hour later on Saturday and Sunday.

Anthony Goldstone

MUSIC
ARTHUR JACOBS

So familiar is Ravel's brilliantly coloured orchestration of *Pictures at an Exhibition* that a performance of Mussorgsky's piano version is likely to strike the listener as a weakened copy instead of the original. But Anthony Goldstone's performance on Thursday at the Elizabeth Hall, richly varied in sonorities as well as mood, commanded on its own terms. The "Ballet of Chicks in their Shells" needed to scamper more lightly, but otherwise Mr. Goldstone's formidable technique put the "pictures" in a vivid and suitable light.

Known as an artist of enterprising taste (and one who writes his own programme-notes), Mr. Goldstone brought off a brilliant stroke of programming by including Janacek's rarely-heard suite of four pieces, *In the Mist*, in the same recital. Although there is at least one section that would not sound out of place in one of Schumann's "character-pieces," the strongest influence is that of Mussorgsky's rough-hewn melody and block-like phrasing. I found it strangely persuasive, haunting music, not unworthy of the Janacek operas—and indeed there is an *ostinato* figure recalling an episode in *From a house of the dead*.

Mozart's Sonata in A (K.310) opened the recital. The slow movement, in which Mr. Goldstone observed the repeat of the first section, was beautifully poised, with a spontaneous-seeming rise and fall in the music; but the span of the finale was less convincing. Mr. Goldstone was fully at home amid the storms and consolations of Schubert's *Wanderer* Fantasy, and Chopin's *Berceuse* as a single encore completed a balanced and deeply satisfying evening.

TV RATINGS w/e Sept. 17

UK Top 20 (viewers m)

1 321 (Yorks.)	16.50
2 Benny Hill (Thames)	15.20
3 Battle of Britain (BBC)	14.55
4 George and Mildred (Thames)	14.15
5 Sweeney (Thames)	14.10
6 Rag Trade (LWT)	14.00
7 Krypton Factor (Granada)	13.65
8 Spinks v. Ali (ITV)	13.50
9 Coronation Street (Mon.) (Gran.)	12.95
9 Crossroads (Thurs.) (ATV)	12.95
11 Mastermind (BBC)	12.85
12 Crossroads (Thurs.) (ATV)	12.80
12 Coronation Street (Wed.) (Gran.)	12.80
14 Cooper (Thames)	12.65
14 Star Games (Thames)	12.65
16 A Soft Touch (ATV)	12.30
17 Born and Bred (Thames)	12.10
18 Crossroads (Mon.) (ATV)	12.00
18 This England (Gran.)	12.00
18 Lingalonga Max (Thames)	12.00

Figures compiled by Audits of Great Britain for the Joint Industrial Committee for Television Advertising Research (JICTAR).

U.S. Top Ten (Neilsen Ratings)

1 Ali-Spinks fight (ABC)	37.2
2 Charlie's Angels (drama) (ABC)	32.5
3 Three's Company (comedy) (ABC)	31.6
4 Happy Days (comedy) (ABC)	28.3
5 Battle Star Galactica (sci-fi) (ABC)	27.8
6 Taxi (drama) (ABC)	27.4
7 Mork and Mindy (comedy) (ABC)	26.4
8 Barney Miller (comedy) (ABC)	25.2
9 Eight is Enough (comedy) (ABC)	24.8
10 Soap (comedy) (ABC)	24.2

A Neilsen rating is not a numerical total.

Spongers wins top prize

The BBC added yet another item to Britain's already uniquely impressive record of success when *The Spongers* won the Prix Italia for television drama at the 30th session of the festival which is being held this year in Milan.

The play, directed in a starkly realistic style by Roland Joffe from a script by Jim Allen, tells the disturbing story of a mother living—or existing—on social security. Set against the background of Britain's recent Jubilee celebrations, it projects a sharp picture of the poorest members of society and suggests how even an originally well meaning welfare state can destroy lives by way of bureaucracy and insensitivity.

At the play's climax the mother kills herself and her three children.

The producer of the programme was Tony Garnett, a man who won the Prix Italia for television drama just ten years ago with *Cathy Come Home*.

The play was competing for the award of SwFr 18,000 (and incalculable prestige value) against 19 entries from Russia, Poland, America, Canada, France, Germany, Japan and elsewhere.

When the chairman of the 11-strong international jury, Mrs. Jean Robertson of the Canadian Broadcasting Corporation, announced the award yesterday she said: "We commend *The Spongers* particularly for its excellent and moving combination of its subject matter, its *form*, and its technical achievement. And we applaud the courage of a country which openly expresses to the world problems which are inherent and particular to its own people."

The BBC's success in the drama category, added to ITV's win last week with MacMillan's *Mayerling* in the music section, means that Britain has once again taken two-thirds of the year's television prizes and increased its astonishing total of Italia prizes to 19.

With the documentary result to be announced today there is clearly a chance that British broadcasters could surpass even their own unique record and make a clean sweep of all three awards—a feat which no country has achieved in the 30 years of the festival. Indeed the British alone have managed the double, and this they have now done three times in four years.

However, the BBC's episode of *Hospital* is competing against some strong entries in the documentary category and although it seems sure to be short-listed it may not actually win the prize.

TV/Radio

† Indicate programme in black and white

BBC 1

9.00 am Ragtime. 9.15 Scooby oo. 9.35 Why Don't You . . .? 10.00 Cut and Thrust. †10.25 Charlie Chaplin in "The Tramp." 10.55 Golf: Hennessy Cognac Cup: Great Britain and Ireland v Europe. 12.28 pm Weather.
12.30 Grandstand: Football Focus (12.35); Motorsport (1.00) The Manx Rally; Golf (1.20, 4.05) The Hennessy Cognac Cup; Racing from Newbury (1.55, 2.20, 2.50); Rallycross (2.10, 2.40) The Shell Motor Oils International Rallycross; Athletics (3.10, 4.30) Guardian Royal Exchange Gold Cup Final; Rugby League (3.20) St. Helens v Leeds; 4.40 Final Score.
5.10 News.
5.20 Sport/Regional News.
5.25 Noel Edmonds' Lucky Numbers.
6.20 Dr. Who.
6.45 Larry Grayson's Generation Game.
7.40 All Creatures Great and Small.
8.30 The Best of the Two Ronnies.
9.15 Starsky and Hutch.
10.05 News.
10.15 Match of the Day.
11.15 Parkinson.

All Regions as BBC1 except at the following times:

Wales—5.20-5.25 pm News for Wales/Sport. 12.15 am News and Weather for Wales.

Scotland—4.55-5.10 pm Scoreboard. 5.20-5.25 Scoreboard. 10.15 Sportscene. 10.45-11.15 McCalmans. 12.15 am News and Weather for Scotland.

Northern Ireland—5.00-5.10 pm Scoreboard. 5.20-5.25 Northern Ireland News. 12.15 am News and Weather for Northern Ireland.

BBC 2

7.40 am-1.30 pm Open University.
2.55 Saturday Cinema: "Doctor You've Got to be Kidding," starring Sandra Dee and George Hamilton.
4.30 Horizon.
5.30 Play Sport.
5.55 The Old Grey Whistle Test.
6.35 News and Sport.
6.45 Network.
7.15 My Music.
7.40 The Big "H," by Shaun Usher, with Dave King.
8.15 Voices of Children.
9.25 Francois Truffaut Season: "Fahrenheit 451."
11.15 News on 2.
11.20 Golf: Hennessy Cognac Cup (highlights).
†11.55 Midnight Movie: "Crack Up," starring Pat O'Brien.

LONDON

8.50 am The Saturday Banana with Bill Oddie, part 1. 9.00 Sesame Street. 9.45 The Saturday Banana, part 2. 10.15 The Monkees. 10.45 The Saturday Banana, part 3.
12.30 pm World of Sport: 12.35 Headline; 1.15 News from ITN; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Ayr: 1.45, 2.15 and 2.45 from Catterick; 3.10 International Sports Special: Cycling—The Skol Six-Day from Wembley Arena; 3.50 Half-time Soccer Round Up; 4.00 Wrestling; 4.50 Results Service.
5.05 News from ITN.
5.15 Happy Days.
5.45 Mr. and Mrs.
6.15 The Life and Times of Grizzly Adams.
7.15 The Masterspy.
8.00 "How the West Was Won," starring James Arness (film made specially for television).
9.45 News from ITN.
10.00 The Saturday Drama.
11.10 Saturday Night People.
11.55 Another Bouquet.
12.55 am Close—Derrick Gilbert reads a poem by the 17th century poet John Donne.

All IBA Regions as London except at the following times:

ANGLIA

9.00 am Cartoon Time. 9.15 The Bubblies. 9.20 The Next Week Show. 11.30 Tarzan. 5.45 pm Gambit. †11.55 "The Case of the Mukinese Battlehorn," starring Peter Sellers, Spike Milligan and Dick Emery. 12.25 am At the End of the Day.

ATV

9.10 am Home Produced. 9.35 Focus on Soccer. 10.05 The Lost Islands. 10.30 Tiswas. 5.15 pm The Life and Times of Grizzly Adams. 6.15 The Masterspy. 7.00 Mr. and Mrs. 7.30 Father Dear Father. 11.10 Bette Midler.

BORDER

11.30 am Tarzan. 5.15 pm Mr. and Mrs. 5.45 Laverne and Shirley. 6.15 The Six Million Dollar Man. 11.10 Rafferty.

CHANNEL

12.18 pm Puffin's Pla(i)ce. 5.15 The Life and Times of Grizzly Adams. 6.15 Happy Days. 6.45 Father Dear Father. 8.00 The Suspense Film: "Nobody Runs Forever." 11.10 The Cedar Tree.

GRAMPIAN

9.30 am Scene on Saturday including Birthday Greetings and The Monkees. 10.05 The White Stone. 10.30 Sesame Street. 11.30 Island of Adventure. 5.15 pm Mr. and Mrs. followed by area weather forecast and Highland League Results. 5.45 Happy Days. 11.10 The Rag Trade. 11.40 Reflections.

GRANADA

9.30 am Focus on Soccer. 9.55 Sesame Street. 10.55 Saturday Matinee: "Belle Starr," starring Gene Tierney. 5.15 pm Mr. and Mrs. 5.45 Happy Days. 6.15 The Bionic Woman. 11.10 George Hamilton IV. †11.40 The Late Film: "Nightmare," starring Jennie Linden.

HTV

9.00 am Doctor! 9.30 Ten on Saturday. 10.15 Batman. 10.30 Tiswas. 11.15 Batman (continued). 11.30 Pop Spot. 11.35 Ten on Saturday. 11.40 Lassie. 12.10 pm Popeye. 12.20 Ten on Saturday. 5.15 pm Woody Woodpecker Show. 5.45 Laverne and Shirley. 6.15 Bionic Woman. 11.10 Danger in Paradise.

HTV Cymru/Wales—As HTV General Service except: 6.15 pm Happy Days. 6.45-7.15 Sion a Sian.

SCOTTISH

9 am Clue Club. 9.40 Cartoon. 11.30 The Bionic Woman. 5.15 pm Mr. and Mrs. 5.45 Phyllis. 11.10 Late Call. 11.15 Quincy.

SOUTHERN

11.30 am Tarzan. 12.27 pm Regional Weather Forecast. 5.15 The Masterspy. 6.00 Laverne and Shirley. 6.30 The Life and Times of Grizzly Adams. 7.30 Mr. and Mrs. 11.55 Southern News. 12.00 Havoc.

TYNE TEES

9.00 am Lyn's Look-In. 9.05 Space 1999. 10.00 The Gene Machine. 10.30 Lyn's Look-In. 10.40 Saturday Morning Film—"Calamity Jane and Sam Bass," starring Yvonne de Carlo. 12.15 pm Lyn's Look-In. 5.15 Mr. and Mrs. 5.45 The Mary Tyler Moore Show. 6.15 The Six Million Dollar Man. 11.10 Barnaby Jones. 12.10 am Epilogue.

ULSTER

10.00 am Saturday Morning Movie: "The Gentle Giant," starring Dennis Weaver. 11.30 Sesame Street. 5.00 pm Sports Results. 5.15 The Flintstones. 11.00 Hogans Heroes.

WESTWARD

9.05 am Code "R." 9.55 Survival. 10.20 Saturday Morning Picture Show. "King Solomon's Mines," starring Stewart Granger and Deborah Kerr. 11.55 Look And See. 12.00 Focus On Soccer. 12.25 pm Gus Honeybun's Birthdays. 5.15 The Life and Times of Grizzly Adams. 6.15 Happy Days. 6.45 Father Dear Father. 8.00 The Suspense Film: "Nobody Runs Forever," starring Christopher Plummer. 11.10 The Cedar Tree. 12.05 am Faith For Life.

YORKSHIRE

9.10 am The Amazing Chan and the Chan Clan. 9.35 Mystery Island. 10.15 Extraordinary. 11.30 Code R. 5.15 pm Mr and Mrs. 5.45 Doctor On The Go. 6.15 The Bionic Woman. 11.10 Quincy.

RADIO 1 247m

(s) Stereophonic broadcast
‡ Medium Wave

5.00 am As Radio 2. 8.06 Ed Stewart with Junior Choice (s). 10.00 Peter Powell. 1.31 pm Rock On (s). 2.30 Paul Gambaccini (s). 5.31 It's Rock 'N' Roll (s). 6.30 In Concert (s). 7.30-2.02‡ am As Radio 2.

RADIO 2 1,500m and VHF

5.00 am News Summary. 5.02 Colin Berry (s) including 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Tony Brandon (s). 12.02 pm Two's Best (s). 1.02 Offbeat With Braden (s). 1.30-5.55 Sport on 2: Football League Special (1.30, 2.00, 2.35, 3.05, 3.25, 3.45, 4.42); Golf (1.50, 2.00, 2.35, 3.05, 3.25); The Hennessy Cup; Racing from Newbury (1.50, 2.25, 2.55, 3.25, with a classified check at 4.50); 5.00 Sports Report: Classified Football checks at 5.00 and 5.45; rugby round-up, 5.25. 6.03 European Pop Jury. 7.02 The Impressionists. 7.30 Radio 2 Top Tunes (s). 8.15 Harry Pitch plays the harmonica (s). 8.30 The Geraldo Orchestra in Band Parade (s). 9.30 Saturday Night with the BBC Radio Orchestra (s). 11.02 Sports Desk. 11.10 Ray Moore with The Late Show (s), including 12.00 News. 2.00-2.02 am News Summary.

RADIO 3 464m, Stereo & VHF

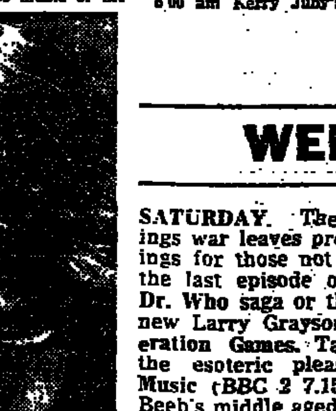
17.55 am Weather. 8.00 News. 8.05 Aubade (s). 9.00 News. 9.05 Record Review (s). 10.15 Stereo Release (s). 11.00 Youth and Music Concert from Manchester (s). 12.05 pm Bartok and Mendelssohn concert (s). 1.00 News. 1.05 Heritage. 1.20 Schubert's Schwanengesang (s). 2.20 Man Of Action: The Duke of Buccleuch chooses records (s). 3.35 Music of the Masters (s). 5.00 Jazz Record Requests (s). 5.45 Critics' Forum. 6.35 The Classical Guitar (s). 7.30 Weill and Puccini from the English National Opera, part 1: "Seven Deadly Sins of Ordinary People" (Weill) (s). 8.10 Rewriting Jewish History. 8.40 Weill and Puccini from the English National Opera, part 2: "Gianni Schicchi" (Puccini) (s). 9.45 Solomon and the Bakke Case. 10.05 Schubert chamber music (s). 10.30 The Newgate Pastorale. 10.55 Sounds Interesting (s). 11.45 News. 11.50-11.55 Tonight's Schubert Song (s).

Radio 3 VHF only—6.00-8.00 am Open University.

RADIO 4

434m, 330m, 285m and VHF

6.30 am News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather: programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather: programme news. 8.00 News. 8.10 Sport On 4. 8.45 Today's Papers. 8.50 Morning Call meets people who work in the early morning. 9.00 News. 9.05 International Assignment. 9.30 Talking Politics. 9.55 News Stand. 10.15 Daily Service. 10.30 Pick Of The Week. 11.20 Time For Verse. 11.30 Science Now. 12.00 News. 12.02 pm A Bar For Nothing (s). 12.27 The News Quiz (s). 12.55 Weather: programme news. 1.00 News. 1.15 Any Questions? 2.00 Bookshelf. 2.30 Thirty-Minute Theatre. 3.00 News. 3.05 Does He Take Sugar? 3.35 Music of the Masters (as Radio 3). 5.00 Kaleidoscope Encore. 5.30 Week Ending (s). 5.55 Weather: programme news. 6.00 News. 6.15 Desert Island Discs. 6.50 Stop The Week with Robert Robinson. 7.30 These You Have Loved (s). 8.30 Saturday-Night Theatre (s). 9.58 Weather. 10.00 News. 10.15 A Word In Edgeways. 11.00 Lighten Our Darkness. 11.15 News. 11.33 The Unforgettables (s).



Janet Street Porter: ITV night person

BBC Radio London

206m and 94.9 VHF

London Broadcasting

261m and 97.3 VHF

5.00 am Morning Music. 6.00 A.M.: weekend news, reviews, features, sports. 10.00 Jellybone. 1.00 pm Saturday Sport. 6.00 After Six. 6.30 Hugh And You with Hugh Williams. 7.00 Geet Mala—music, information, interviews in Hindustani. 8.00 Saturday Music. 9.00 Nightline. 1.00 am Night Extra.

Capital Radio

194m and 95.8 VHF

6.00 am Kerry Juby's Breakfast Show (s). 9.00 Capital Countdown with Peter Young (s). 12.00 Kenny Everett (s). 3.00 pm Afternoon Delight with Duncan Johnson (s). 6.00 Greg Edward's Soul Spectrum (s). 9.00 Nicky Horne's Mummy's Chart (s). 11.00 Mike Allen's American Dream (s). 12.00 Mike Allen's Backseat Boogie (s). 2.00 am Mike Smith's Night Flight (s).

CHESS SOLUTIONS

Solution to Position No. 234

1 N-Q6 ch, BxN; 2 PxB, BxB; 3 Q-K5! N-B3; 4 QxN, R-B1; 5 Q-K7 ch, QxQ; 6 PxQ, KxP; 7 PxB wins a piece.

Solution to Problem No. 234

1 Q-KB3 (threat 2 Q-Q5). If 1...NxQ; 2 R-Q5, or if KxN; 2 Q-QB6, or if N-K6; 2 N-B8, or if N-N3; 2 Q-QR3. Traps for solvers are 1 QxR? N-N3! and 1 BxN? R-N6!

WEEKEND CHOICE

SATURDAY. The Autumn ratings war leaves pretty thin pickings for those not impressed by the last episode of the current Dr. Who saga or the first of the new Larry Grayson hosted Generation Games. Take refuge in the esoteric pleasures of My Music (BBC 2 7.15) one of the Beeb's middle aged, middle brow appealing brain teasers. Later on ITV offers **The Betzi**, by William Douglas-Home, and the awful Saturday **Night** People, watchable if only for legal blunders and general foot-in-it ineptitude. Between times Radio Four has an inviting play at 8.15, Janus, described as a black comedy.

SUNDAY. Much the better night, with R. F. Delderfield's **A Horseman Riding By** on BBC-1 (7.15) and Lillie, the Lillie Langtry story, on ITV at 8.15. One of television's inevitable clashes makes it difficult to watch Lillie and **Lady Caroline Lamb**, the film which has a rather good performance by Richard Chamberlain as Lord Byron (BBC-1, 8.05). At 10.05 turn both radio (Three) and television (BBC-2) to Horrowitz live from New York's Lincoln Centre.

COLLECTING

The Martins

OF ALL the great generation of artist potters which flourished in the last quarter of the nineteenth century, the Martin brothers have always been the best loved. Their work was already being collected a century ago, only a year or two after the pottery was under way; and from the great days there are legends of keen collectors making the pilgrimage to Southall and lining up to get first pick when the kilns were opened after the firings, which generally took place twice a year.

The next three weeks provide an opportunity for a massive revaluation of the Martins. Richard Dennis, who has become the High Priest of the Arts and Crafts Movement, has organised at Sothebys Belgravia what is probably the largest and most representative exhibition ever brought together in the whole 105 years since the Martins began work.

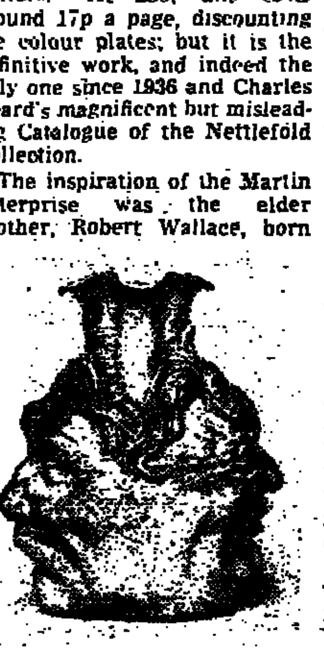
In association with the exhibition Mr. Dennis is also publishing Malcolm Haslam's monograph, *The Martin Brothers Potters*. At £30, this costs around 17p a page, discounting the colour plates; but it is the definitive work, and indeed the only one since 1936 and Charles Beard's magnificent but misleading Catalogue of the Nettlefold Collection.

The inspiration of the Martin enterprise was the elder brother, Robert Wallace, born in 1843. A keen disciple of Samuel Smiles' *Self Help* (Mr. Haslam demonstrates that when he wanted the names of the great to inscribe on a prize medal, Martin chose the men instanced as Good Examples in Smiles' inspirational work) Wallace's was a Victorian success story. Set to various odd jobs as a boy, he discovered his aptitude for drawing when he was laid up with a broken wrist.

His drawings won him a job (he would not take an apprenticeship) on the building of the Houses of Parliament, which no doubt accounts for the strong Gothic cast of his earlier work. Then, like so many of the Doulton potters, he enrolled at the Lambeth School of Art.

He set himself up as an independent sculptor, and had some small success, but soon became interested in ceramic techniques. In 1873, when he was 30, he and his brother Walter set up their first factory at Pomona House, Fulham. In 1877 with the help of the patrons they had acquired on the way, they took over an old soap factory at Southall, and established the works where they would remain to the end of their career.

The exhibition clearly shows how sensitive were the Martins (sometimes it is hard to distinguish the individual contributions of the different brothers and their occasional collaborators) to the artistic temper of the times. The progressive styles of their pottery show them influenced or excited by the Gothic revival, the pre-Raphaelites (in whose circle Wallace moved in his sculpture days), the Aesthetic Movement and Japan, the Renaissance Revival, and the eclectic influences from Celtic, Classical and elsewhere gathered by Owen Jones in his formative *Grammar of Ornament*.



The bizarre birds and beasts which were Wallace's speciality in later years are a peculiarly Victorian phenomenon, relations of the Curious Creatures of Wurtemburg, of Carroll's jubjubs and jabberwocks and Lear's jumblies.

The most significant revelation of the exhibition and of the book, however, is the contribution of Edwin Martin—after years as odd-job boy of the firm—to the brief Indian Summer of the Martin's last years, when the pottery adopted the simpler forms of Japanese design and adapted the sinuous lines and botanical influences of *Art Nouveau*.

The last years were a sad story of lethargy and acrimony. Work became infrequent and unsuccessful.

For these who want to go still deeper into Martin lore, the Decorative Arts Society is organising a special seminar on Saturday, September 30. The cost of the day-long session is £3 (£2 to members of the Society) and applications for the limited places should be made to Peter Rose at Brighton Polytechnic, Falmer, Brighton BN1 9PH.

JANET MARSH

CHESS

LEONARD BARDEN

TWO STRIKING features of the Lloyds Bank International at the Cumberland Hotel, London, on August 24-31 were the wide geographical spread of entries, with 21 countries represented, and the set-backs for the grandmasters.

There was a triple tie between P. Littlewood (England), J. Peters (U.S.) and Y. Rantanen (Finland) on 7½ points out of 10, followed by seven players, including grandmaster Y. Kraidman (Israel), and IMs S. Tatai (Italy) and S. Bouaziz (Tunisia) with 7. The remaining GMs (L. Shamkovich, U.S.; G. Forintos, Hungary; R. Balinas, Philippines; and H. Westerinen, Finland) were outside the prize list.

John Peters, of Los Angeles, tied for third at Lone Pine earlier this year and again made a grandmaster result in London. He would have won the Lloyds Bank event outright but for relaxing once he reached his GM score.

Paul Littlewood, son of the best player in the North of England, likes to attack and sacrifice; he can also play technical chess when needed and went unbeaten through the British Championship and Lloyds Bank tournaments, achieving an international master score at age 22.

Littlewood was among nearly 30 school and university players from the British Chess Federation national squad who were awarded scholarships to play in London. Many made good use of the experience, although Nigel Short for once had a poor result.

But the junior who impressed most was Joel Benjamin, the 14-year-old champion of the Manhattan Chess Club in New York who recently broke Bobby Fischer's record as the youngest-ever master in the U.S. Benjamin gave all his GM and IM opponents a hard game, drew with two of them, and missed an IM result by only half a point.

A player with limited time for chess study but seeking a systematic programme for improvement may well find that the most cost-effective method, next to regular match and tournament practice, is to concentrate on the strategic side of the game.

Chess strategy can be grasped with a fraction of the effort required for the complexities of opening variations, and there are currently good instruction works available in Michael Stean's *Simple Chess* (Faber) and Pachman's three volumes on *Chess Strategy* (Batsford).

John Peters, the Lloyds Bank co-winner, did not show outstanding natural talent as a junior but has become one of the leading masters in the U.S. with the lucid style displayed in this week's game.

White: J. Peters (U.S.). Black: J. van Baarle (Holland). Opening: Sicilian Defence (Lloyds Bank Masters 1978).

1 P-K4, P-QB4; 2 N-KB3, P-Q3; 3 B-N5 ch, N-Q2; 4 P-Q4, KN-B3; 5 0-0, PxP; 6 QxP, P-K4; 7 Q-Q3, P-KR3 (to stop B-KN5); 8 P-B4, B-K2; 9 N-B3, 0-0; 10 BxN, BxB; 11 P-QN3, P-R3; 12 P-QR4, Q-B2; 13 N-R4, KR-Q1.

White's opening plan is to use his knights to control the light squares Q5 and KB5, build up the major pieces in support, and then switch to an attack on either flank depending on how Black counters.

The only good counter for Black is to undermine the white pawns as soon as possible, and thus the right plan is QR-N1 and KR-B1 preparing P-QN4. If White then plays P-QR5, Black can regroup by B-K3 and N-Q2-B4 or N-Q2-N1-B3. In the game Black effectively does nothing active and finds his position too cramped for successful defence in depth.

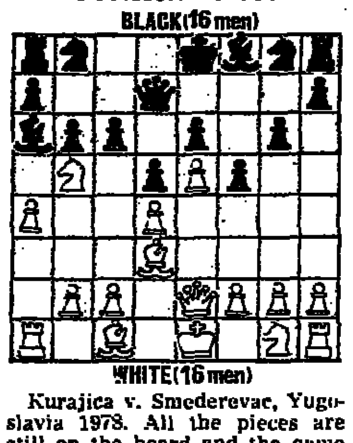
14 B-K3, P-QN3; 15 P-B3, Q-N2; 16 KR-Q1, B-KB1; 17 P-KN4! (ensuring an open file when the outpost knight is exchanged), B-K2; 18 N-B5, BxN; 19 NPxB, QR-N1; 20 K-R1, K-R2; 21 R-R2, Q-B3; 22 N-Q5, N-N1; 23 N-N4, Q-B1; 24 Q-Q5, R-B1; 25 R-KN1, N-B3; 26 Q-Q2.

All this is accurately played by White, who gains tempi for his attack on the KN and KR files while restraining Black's Q-side play.

26...R-N1; 27 Q-KN2, P-QR4 (if P-QN4; 28 RPxP, PxP; 29 R-R7, R-N2; 30 PxP); 28 N-Q3, N-Q2; 29 Q-R3, B-B3; 30 Q-R5, Q-B1; 31 R2-KN2, R-KR1 (to meet BxRP by K-N1); 32 N-B2, Q-K2; 33 N-N4, K-N1; 34 NxB ch, QxN; 35 B-B2. Resigns. There is no defence to 36 B-R4.

POSITION No. 234

BLACK (16 men)

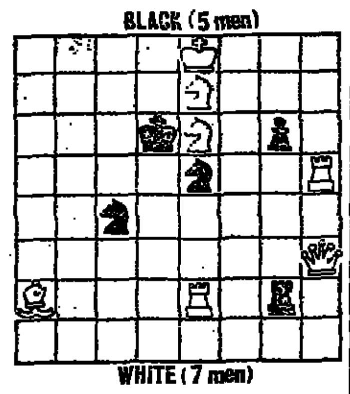


WHITE (16 men)

Kurajica v. Smederevac, Yugoslavia 1978. All the pieces are still on the board and the game is scarcely out of the opening, but White's next move gave him a forced win. How should the game continue?

PROBLEM No. 234

BLACK (5 men)



WHITE (7 men)

White mates in two moves, against any defence (by H. Jube, West Germany).

Solutions Page 12

BRIDGE

E. P. C. COTTER

DURING A session of *partie fire* last week my partner and I had been overwhelmed by the weight of cards which our opponents picked up hand after hand. They had already had three slams when this deal occurred:

N
♠ K J 9 7 6 4 2
♥ 6 3
♦ 10 8 4
♣ 6

W
♠ A 3
♥ A 7 2
♦ A K 9 3
♣ A J 8 7

E
♠ 5
♥ K 5
♦ Q J 7 6 2
♣ K Q 10 4 2

S
♠ Q 10 8
♥ Q J 10 9 8 4
♦ 5
♣ 9 5 3

The opponents, need I say, were vulnerable when my partner in the North seat dealt. After passes from North and East, it seemed likely that another rubber was going to be scored against us. The sane course was, no doubt, to pass, but I decided to bid one spade. West, as expected, made an informatory double, and my partner jumped to three spades. This was passed to West who doubled, this time for penalties, and I prepared to take my punishment.

When West led the diamond King and dummy went down with seven trumps, this was a most cheering sight. I ruffed the second diamond, and led the nine of clubs. West took with the Knave, and played Ace and another trump, putting paid to any hope I might have of ruffing another diamond in hand, and I had to go two down.

There was nothing further to the play, but the post mortem was interesting. Against our 9 points East-West had 31, with, as you can see, a cold grand slam in no trumps or either minor suit.

If I had passed, East-West would inevitably have reached at least a small slam. As it was, East might have pushed the boat out a little. I would like to state that Fortune relented, but it was not to be. The opponents went out on the next deal.

However, all the frustration was forgotten when this hand occurred in a later rubber:

N
♠ 7 3
♥ 8 5 4
♦ 10 9 8 4 2
♣ A 9 3

W
♠ J 10 2
♥ K 9 2
♦ K Q J 5
♣ Q 8 4

E
♠ 6
♥ A Q J 10 6
♦ —
♣ J 10 7 6 5 2

S
♠ A K Q 9 8 5 4
♥ 7
♦ A 7 6 3
♣ K

Neither side was vulnerable when West dealt and opened the bidding with one diamond, my partner passed, East replied with one heart, and I found myself looking at the first good hand I had seen—a near two-bid.

One could not criticise an immediate four spades on my hand, but as all I wanted was to be allowed to play the hand in spades, I decided to vary my tactics, and passed. West raised to two hearts, East jumped to four hearts, and now I came in with four spades. This was doubled by West, and all passed. West led the two of hearts, and East won with the Ace.

It was ironic to find my partner with a trick, the Ace of clubs, to which I had no immediate access, but I could see a ray of hope. Ruffing the Queen of hearts at trick two, I drew trumps in three rounds, cashed the King of clubs, and led a low diamond towards the table. West took with her Knave, and East showed out. This was most revealing. East must have started with six hearts—in fact, she must have a 1-6-0-6 hand pattern.

West returned the King of hearts, which had to be her last card in the suit, and now she was hooked for an endplay. I ruffed, and led another low diamond which West had to win with her Queen, and the writing was on the wall. She was forced to lead either a diamond into my split tenace, or let me make the club Ace at once by a return in that suit.

ART GALLERIES

CLUBS

COMPANY NOTICES

SOUTHERN KINTA CONSOLIDATED (M) BERHAD

(Incorporated in Malaysia)

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the first Annual General Meeting of members of Southern Kinta Consolidated (M) Berhad will be held at the registered office of the company, Wisma Bunga Raya, 152 Jalan Ampang, Kuala Lumpur 04-06 Peninsular Malaysia, on Saturday, 16th October, 1978, at 11.00 a.m. for the following purposes:—

To consider and, if thought fit, pass the following as ordinary resolutions:—

1. "That the profit and loss account for the period 19th November, 1976 to 31st March 1978 and the balance sheet of the company at that date and the consolidated profit and loss account for the period ended 31st March, 1978 and the consolidated balance sheet at that date, together with the annexed report of the directors including their recommendation for the payment of a final dividend of 70 cents per share, less income tax be and are hereby approved and adopted."

2. "That the following directors who retire from office in accordance with the articles of association be and are hereby re-elected:
   (i) Y. B. Encik Abdul Ghafar Baba
   (ii) Encik Junus Sudin
   (iii) Encik Abdul Rahim Aki
   (iv) Encik Azman Hashim
   (v) Mr. Lee Siew Shoong
   (vi) Mr. J. G. Richardson
   (vii) Mr. A. J. W. Owston."

3. "That Messrs. Turquand, Youngs & Co. be and are hereby appointed the company's auditors until the conclusion of the next annual general meeting and that their remuneration be fixed by the board."

By way of special business to consider and if thought fit, pass the following which will be proposed as an ordinary resolution:

4. "That the remuneration to be paid to the company's directors under article 85 of the articles of association be fixed at a rate of M$11,500 per annum for each director (other than the chairman) and at a rate of M$14,375 per annum for the chairman, which shall be deemed to accrue de die in diem with effect from 1st April 1977 until further notice."

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the company.

By order of the Board
Zulkifli Talib
Secretary

Kuala Lumpur

22nd September, 1978

NOTES:

1) A form of proxy to be valid must reach the Malaysian Registrar's office at Wisma Bunga Raya 152, Jalan Ampang, Kuala Lumpur, Malaysia or the United Kingdom Registrars, Charter Consolidated Limited, Charter House Park Street, Ashford, Kent TN24 8EQ not less than 48 hours before the meeting.

(2) There are no contracts of service between the directors and the company.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 886341/2, 883897
Telephone: 01-248 8000

Saturday September 23 1978

Big issues at stake

AFTER WEEKS of summer rhetoric and drift, the real issues round the world have been rejoined with a startling suddenness. The strength of the framework for peace in the Middle East, so unexpectedly constructed by President Carter, is now being tested; some of those who did not take part in the negotiations would undoubtedly like to test it to destruction. Meanwhile a renewed and sharp decline in the dollar may well spur the President to test his newly re-established authority with Congress. In Southern Africa things have taken an ominous turn for the worse. At home the Government has been shaken by the Bingham report just as it is being challenged by the Ford workers.

If at the moment the precise level of a pay settlement in a single and unusually successful motor company seems as important as the great issues of peace and progress now at stake in the outside world, it is because the Government has chosen to make it so. Realistic pay settlements through the economy would certainly improve our prospects dramatically, and 5 per cent may well be a realistic average. If it were by some miracle enforced, inflation would in due course fall to less than 5 per cent.

However, an average by definition is not a universal rule: indeed, if successful companies are to be able to recruit labour from the less successful (and Ford has recently been recruiting energetically) it is reasonable that they should be able, where they can afford it, to get a step ahead in pay. This privilege was indeed allowed to Ford last year. The Government's rigid rule, and the threat to enforce it with sanctions, looks tough, but is strategically weak. It means the main battles are fought where the official case is weakest.

Illiteracy

Economically the Ford dispute is an ugly reminder of the economic illiteracy of many union leaders—and indeed of their academic advisers. They seem to treat the historic-cost £246m profit achieved by the company last year as a fund to be raided, if necessary to the last penny, rather than realising that it is the fund from which growth, product development and job security must be financed.

However, no likely level of actual settlement in this company is likely to pose any grave threat to the economy. Unfortunately talk of norms is likely to spread any damage that is done, since other bargainers in weaker companies will try to adopt the Ford settlement as a norm. What will make for a more destructive winter is the political capital Mr. Callaghan has invested in pay policy, and the open defiance of Government policy by the Transport and General Workers' Union, and no doubt others. It is sadly ironic that in four years a Labour government should manoeuvre itself into exactly the position that destroyed Mr. Heath and gave Labour power.

This does not, of course, mean that Mr. Callaghan is doomed to go the way of Mr. Heath. Despite the consumer boom, activity in most parts of the economy has only recently started to revive. Fears both of loss of jobs and of foreign competition are widespread, yet real incomes, have improved sharply. Industrial workers need not behave like lemmings, and there is some evidence of a new toughness on the side of employers. The market has taken the Ford news relatively calmly—a judgment of economic realities. Politically, though, the Government seems to have dug itself a whole Maginot line of last ditches—with the same implied threat that a breakthrough anywhere may turn its flank. It is a sad show of misguided courage.

Meanwhile, in the outside world, far greater questions are being settled. The Prime Minister went to Kano, not to Dagenham, and the Chancellor is in Washington; and both show a proper sense of priorities.

Trial balance

It is far too early to comment realistically on the scale of the threat posed in Southern Africa by the change of leadership and Mr. Vorster's parting gesture of destructive diplomacy in Namibia. The monetary and trade negotiations going on in Washington, Geneva and the EEC could determine whether we can still preserve the liberal trading regime which has made possible the succession of economic miracles of the post-war era. In the U.S. the decline of a largely unsupported dollar has exposed the need to take domestic action to restore stability — a need which was concealed as long as foreign central banks were willing, in effect, to lend almost unlimited funds to the U.S. Government.

Any trial balance of all these momentous uncertainties can only be very vague. In southern Africa, as in domestic pay negotiations, we can only hope that the damage is not too grave; but the Camp David accord, the re-establishment of effective government in the U.S., and the attempts to advance European unity into something more stable and effective all offer large though difficult opportunities for real progress.

Bingham's lessons for multinationals

By KEVIN DONE, Energy Correspondent

THE IMPLICATIONS of the Bingham Report run beyond the realm of politics and international diplomacy. The study also delves deeply into the structure and the organisation of the two offending oil companies, Shell and BP, and poses serious questions about how far the modern multinational can control its far-flung interests around the world, particularly when these come into conflict with opposing governments' policies and irreconcilable legal demands.

The oil companies are no strangers to being in the firing line of governments' foreign policy-making. Their business aims have often been indivisible from the aims of their political masters and on occasion profits and politics could walk easily hand in hand.

But the story told in the Bingham Report about the sanctions-breaking activities of Shell and British Petroleum shows how easily that close relationship can turn sour.

As the companies have pointed out in recent days, the story of oil sanctions fundamentally concerns a British Government that was unwilling to face up to reality—namely that effective oil sanctions against Rhodesia depended on a blockade of South Africa.

But at another level the story also reveals a picture of two companies unable, or sometimes unwilling, to impose their wishes on their subsidiaries overseas. It shows two companies which at the top level were kept in the dark by senior executives of the subsidiaries, and which, when in full knowledge of the facts, were less than frank with the British Government.

BP and Shell were from the outset acutely aware of the dangers posed by South African legislation if they were to carry out the wishes of the British Government. Their South African employees were covered by comprehensive secrets laws and their locally incorporated companies, such as Shell South Africa and BP Southern Africa, were subject to the full rigours of South African legislation and the restrictions on freedom of action which that imposed. At an early stage the South African Government made it clear that it would not tolerate what it saw as foreign interference in its domestic affairs. For its part an economically weak British Government wanted no part in a confrontation with South Africa.

The events related in the Bingham Report are complex and highly detailed. To understand them it is necessary briefly to look at the way Shell and BP had structured their operations in Southern Africa by the time Rhodesia made its Unilateral Declaration of Independence (UDI).

As far back as 1928 the two companies had brought together their marketing operations in a large triangular area between Cyprus, South Africa and Ceylon. The region was known as the "Consolidated Area" because the joint company formed was called Consolidated Petroleum. The two companies had equal shares and technically the agreement was terminated only in 1975.

Shell was made the manager of Consolidated for which it took a fee. It organised staffing and jealously guarded its primary role.

Most of the Consolidated subsidiaries were incorporated in their local countries. This was the case in both South Africa and Rhodesia, but not in Mozambique, a fact that has turned out to be of crucial importance.

By historical accident Shell Mozambique was still a UK-incorporated company. This was an anachronism both operationally and politically, because by the 1960s the company had no UK business, no UK resident employees and no UK executive directors.

The Bingham Report makes clear that, in the early days after sanctions were imposed on December 17, 1965, both the Government and the oil companies did strive to make them work. By April Rhodesia's only refinery, which met most of its own needs, along with those of Zambia and Malawi, was shut down because supplies for the crude oil pipeline from Beira had been cut off. As Bingham drily remarks in his report: "The stopping of crude oil supplies was, however, the first, perhaps the only, major victory won by the oil sanctions policy."

In the early months of 1966, as supplies in Rhodesia dwindled, its supporters in South Africa began to organise oil deliveries by lorry. "Contractors would have Rhodesian flags on their trucks with 'Oil for Rhodesia' chalked on the side," says Bingham. "There was what was described to us as a 'Dig for Victory' spirit in the air."

Reliable supply

Such spontaneous supply routes were hardly reliable and could not hope to meet demand. Before many months had elapsed Rhodesia had worked out a far more reliable supply route by rail from Lourenço Marques in Mozambique. By 1967 the supplies were coming on a well-organised basis from all the multinationals with interests in southern Africa—not just Shell and BP, but also Total, Mobil, Caltex and Sonarep, the Lourenço Marques refinery company that was locally owned in Mozambique. The method of procurement was simple. Rhodesia used South African intermediaries, largely Freight Services in Shell's case, to order the oil products. These were pumped aboard rail tankers in Lourenço Marques. The trains, instead of crossing over into the Transvaal industrial area of South Africa, took a branch line to the north and headed into Rhodesia.

Shell Mozambique, which was a UK incorporated company, was one of the suppliers. Its role was at first unwitting as orders came in the name of the South African intermediary, Parry Leon and Hayhoe, which later was replaced by Freight Services.

But the truth could not be concealed for ever. Mr. Louis Walker, of whom the Bingham report is particularly critical, began to suspect the real destination of the tanker trains in 1966. He was Consolidated's senior man in South Africa, a South African citizen, and the man chiefly responsible for keeping London informed of events. Until the beginning of 1968 he failed to tell Shell Centre in London of his suspicions. This was the weakest link, as it turns out, in Shell and BP's communications in the early years of sanctions.

Stretching the truth

Until early 1968 Walker continued to assure London that Shell Mozambique was not supplying products directly to Rhodesia. Legalistically this was perhaps true, but it was stretching the truth thinner than London would dare to tolerate once it discovered the facts.

Bingham tries to explain Walker's personal attitudes. He had tried at first to observe the spirit of sanctions, but this gradually changed. He felt that Shell and BP were being damaged commercially by strict adherence to the Order as competitors took advantage of them. In line with what the companies had pointed out themselves in London, he was convinced of the hopeless ineffectiveness of the policy itself. And he was also a South African citizen faced by domestic laws as applied to domestic companies. "Henceforth we think he would attempt only to comply with the letter of the Order," says Bingham.

Suspicions had been forming in London for some time but had been quietened by Walker's continued assurances.

Bingham is enlightening on the companies' attitude before the truth of Shell Mozambique's role had been revealed to them. They had been "co-operative" with the British Government, he says, and while trying to limit commercial damage as far as possible, had done all they could be reasonably expected to do.

The question arises of course why the companies, in this helpful frame of mind, did not send representatives to South Africa in 1967 to investigate allegations of their involvement in breaking oil sanctions.

Bingham comments at length. "The South African laws on official secrets would, we feel sure, have been regarded as inhibiting such an investigation." But there was something more fundamental. Such a course of action "would have been entirely alien to the relationship existing between the Groups and their locally-incorporated subsidiaries. Instructions on the policy to be followed had been given. Implementation of that policy was for the local general manager. Receiving assurances from the local general manager that the policy was being followed, Shell (and at second hand BP) accepted these assurances at their face value. The Portuguese allegations were as a result given less credence than they deserved. We do not think that Shell Centre deliberately refrained from investigation for fear of what they might uncover, but rather that any investigation or enquiry was felt to be the responsibility of those in South Africa."

This theme of the great degree of local management autonomy granted by Shell and BP to its subsidiaries runs throughout the whole report and poses questions for all multinationals.

But the report also makes clear that once Shell knew the facts at the beginning of 1968 it also delayed for some time, debating the pros and cons with BP of how open they should be with the Government, before arranging the meeting with Mr. George Thomson, the Commonwealth Secretary. Even at that meeting Sir Frank McFadzean of Shell and Mr. William Fraser of BP did not reveal all they knew.

In the weeks before this meeting—before they were undermined by their own ignorance—Shell had actually been preparing to toughen its stance, to refuse to be the tool of government policy. Mr. J. G. Francis of Shell, area co-ordinator in London for Southern Africa, said in evidence: "Helping HMG make a political point at the expense of our own commercial interests if the action that we were required to take went beyond the requirements of the law seemed to us indefensible."

It was a view backed up by Sir Frank McFadzean: "We only follow the home government's policy if there is clear legal basis requiring us to do so. In other words we observe the law but we do not go further than that, and I think it would be fatal for us as a multinational enterprise to do so."

In the early 1970s when the Total swap arrangement ceased and Shell Mozambique again took up its place in the supply chain, London was again kept ignorant by Walker. Senior executives from Shell and BP in London, Mr. Francis and Mr. A. H. Sandford, found out independently in 1974 that the swap had ceased some time earlier (in fact as far back as 1971), but they failed to impress this directly on their superiors, says Bingham. The matter was allowed to lapse.

BP and Shell in 1974 and 1975 appeared in any case to be too busy making sure the one did not cheat the other over the split of the South African business. They were scrambling for their share of the Freight Services / Rhodesia business rather than worrying unduly that the business was based again on shaky legal ground.

Mr. D. G. Milne was in South Africa as managing director of BP Southern Oil to safeguard BP's interests. He is quoted in a note to a colleague of January 25, 1975 as wishing to be absolutely sure that BP obtained 50 per cent of the Freight Services' business as long as "the procedures do not expose BP to the view of outside observers." Mr. Milne was fully aware of Freight Services' activities. He had commissioned an internal investigation in February, 1974. Bingham says of him: "His personal belief was that HMG was content for the trade to continue provided its existence was not brought to its attention publicly."

Mr. Bingham's report has finally ensured that full publicity will nonetheless be given to the oil companies' activities, and it must be remembered that Shell and BP were not the only offenders.

Also the climate for their actions was clearly created by the Government. But in the final analysis it is on the "failures to disclose, either within the Groups or by the Groups to HMG," that Bingham rests his major criticism.

When all other factors are taken away there remains this cardinal failure to communicate: "This ignorance led HMG and the top management of the Groups unwittingly to make statements and give assurances which they would not have done with full knowledge of the facts."

SHELL AND BP OIL SANCTIONS BREAKING IN SOUTHERN AFRICA

Salient dates

November 11, 1965	Rhodesia declares UDI.
December 17, 1965	UK Government issues oil sanctions order against Rhodesia.
December 18, 1965	Shell and BP halt supply of crude to Rhodesia through Beira pipeline. Shell in London instructs subsidiaries in Southern Africa not to supply Rhodesia.
December 23, 1965	South African Government says supplies to South African companies by local oil companies (including Shell and BP) must not be interrupted.
Early 1966	Rhodesian oil is supplied by inadequate road deliveries mainly from South Africa.
Middle 1966-1976	Rhodesia supplied chiefly by rail from Mozambique.
1966	Louis Walker, general manager of Consolidated Shell and BP in South Africa learns of Shell Mozambique supplies being diverted to Rhodesia. Does not tell London for nearly two years.
1967	Shell and BP assures UK Government they are not supplying Rhodesia from Mozambique.
January, 1968	J. L. Miller, general manger, Shell South Africa tells Shell in London of Shell Mozambique supplies being diverted to Rhodesia.
January 23, 1968	Shell tells BP. Companies delay talking to Government.
February 21, 1968	Sir Frank McFadzean, managing director of Shell and William Fraser, managing director of BP tell Mr. George Thomson, Commonwealth Secrtary, outline of Shell Mozambique supplies and new Total swap arrangement.
February 6, 1969	Thomson given more details.
End 1971	Total swap arrangement ends. Walker does not tell London.
Early 1974	Shell and BP executives in London, J. G. Francis and A. H. Sandford, learn swap has ended but fail to impress this on superiors and interest lapses.
April, 1974	Coup in Portugal.
September, 1974	Mozambique gains independence.
1975	Shell and BP break up joint marketing agreements in South Africa. Both fight for share of Rhodesia trade from South Africa.
1975 to early 1976	Shell Mozambique supplies to Rhodesia fall away as South Africa begins to supply directly by new Beit Bridge rail link.
March, 1976	Mozambique closes border with Rhodesia.
June, 1976	"Oil Conspiracy" Report published in U.S. and starts to rekindle international interest.
June, 1976	In ignorance Sir Frank McFadzean tells Foreign Office nothing has fundamentally altered since 1968 swap deal as far as Shell and BP involvement in supplies to Rhodesia.
1976	Sasol, South African state oil company takes major role as direct supplier to Rhodesia.
1976-1977	In light of growing accusations Shell and BP London review relations with their South African subsidiaries. Get new assurances that they are no longer supplying Rhodesia.
May, 1977	Bingham inquiry set up.
Summer, 1978	Reports of Shell and BP sanctions breaking leak from evidence given to Bingham.
September 19, 1978	Bingham report published and confirms Shell and BP's leading roles in supplying Rhodesia for periods from 1966-1976.
September, 1978	Shell and BP re-state earlier assurances that their companies are no longer involved in direct or indirect oil supplies to Rhodesia.

Letters to the Editor

Telephone manners

From Mrs. G. D. Cowan

Sir,—Having followed the correspondence to date on "Telephone Manners" may I, as a Secretary, enter the fray?

I find it incredible that your correspondents are so averse to giving their name over the 'phone: surely they have nothing to hide? And from the Secretary's point of view it's always helpful to know to whom one is speaking since the caller can then be given the courtesy of being addressed by name.

Also, contrary to what many of your correspondents appear to believe, bosses don't spend their time sitting by a 'phone waiting for it to ring: for a great deal of the day they are likely to be involved in meetings of one sort or another, on the factory floor, or out on business. In such circumstances very often the Secretary is in a position to be helpful, provided she knows who is calling, by perhaps relaying a message from her boss, or giving information which will save the caller the inconvenience of ringing back a second time.

If in the event of being unable to speak to the person they require, some of your readers would place a little more confidence in the Secretary they might find themselves saved much of the exasperation and frustration they speak of. After all, the Secretary does work for the same organisation, and knows what is going on.

G. D. Cowan.
58 Deynecourt Gardens,
Wanstead, E11.

Name dropping

From Miss J. L. Keeble

Sir,—In reading the recent correspondence concerning telephone manners, I was reminded of something which I always (perhaps irrationally!) find particularly irritating.

I am single and I feel that, although to announce oneself as "Mrs. Jones" has become quite acceptable, introducing myself as "Miss Keeble" is as ill-mannered as "Mr. Smith." Consequently, I use purely my Christian and surnames with no title. This seems to give people the right to use only my Christian name in reply. Am I being old-fashioned in today's climate when I object to this? In my position I am constantly talking to people in senior managerial positions who, I am certain, would object violently if I used the same form of address to them.

I would be interested to know how other ladies in managerial positions handle this as I am sure that I can not be the only objector. Naturally, if I have met the person concerned, or have had considerable dealings with them, then this is an entirely different matter.

J. L. Keeble,
Pear Tree Cottage,
Lincoln Hatch Lane,
Burnham, Bucks.

Ungentlemanly

From Mrs. Patsy Carter.

Sir,—Having read with amazement the correspondence on your letter page may I put the point of view of someone who actually has, from time to time, to deal with those gentlemen who have been complaining through the medium of your paper.

Perhaps if those gentlemen who have problems when calling their customers, business colleagues, etc., would announce themselves correctly, ie, their name and company and articulate clearly as opposed to mumbling into their beards as is so often the case, they might well find that less of their time was "wasted" as they put it, and also the operator would be able to operate efficiently and help them more quickly.

As regards the problem they have with not wishing to give their name, surely when they receive a call they like to know who they will be speaking to—or not speaking to in some cases. I find it hard to believe that these gentlemen have never asked their secretary/switchboard operator to say they are in a meeting or out.

Also, spare a thought for the operators who in asking for name and company are in all probability only doing their job as requested by their employer. The abuse I have received from some of these so called "gentlemen" who call my firm I wouldn't take from a six year old face-to-face let alone an adult. Some people presume that just because they are never going to meet the poor operator on the other end of the line this gives them licence to be as rude as they like.

Patsy Carter.
44, Manchuria Road, SW11.

Pretty faces

From the UK National Secretary, European Association of Professional Secretaries

Sir,—Mr. Michael Dixon's views in The Jobs Column (September 19) will find great support among professionals in the secretarial field.

The title "secretary" has indeed become devalued in recent years. It is now used indiscriminately to describe the two-finger typist or the executive secretary of the company Chairman.

The professional secretary is refusing to be seen any longer merely as a status symbol, an inefficient dolly-bird, who spends her time painting her nails, shopping for the boss or making the tea. She (or he) is looking for a challenging and rewarding carrer in office work.

This was one of the reasons for the formation of the European Association of Professional Secretaries a few years ago. EAPS aims—inter alia—to obtain throughout Europe recognition of the fact that the executive secretary is an essential element of the management team. Until employers are prepared to recognise the fact that the executive secretary has a management role to fulfil and are ready with appropriate rewards, the right kind of person will no longer be attracted to a secretarial career, particularly as more jobs open up for women. There will be a dearth of manager-managers, and word - processing developments will not replace them.

Mrs. Kay Sykes is to be congratulated on grasping the nettle of something which I always (per-
her elbow!

Sally-Anne Hart,
c/o National Economic Development Office,
Millbank Tower,
Millbank, SW1

Cause of a skid

From Mr. B. R. Bligh

Sir.—Since Mr. Brook (September 19) has accused me of being unscientific in my calculations on traffic speeds, please allow me to reply as briefly as possible.

True, with modulated braking the driver can generate the heat from the kinetic energy of the car at the brake drum, but the driver does not have that option in an emergency at high speed, which was the specific subject of my letter. The point that Mr. Brook has not understood is that when a vehicle brakes the kinetic energy must generate heat (Law of Conservation of Energy), (. . . yes, I know your inventive readers will start working out ways of converting the energy to electricity or compressed air . . . but I am writing about existing cars).

Mr. Brook writes: "It is by no means a question of speed, but of whether braking force exceeds tyre gripping force." He is wrong again; to stop in a required distance, the braking force increases as the square of the speed. Hence the driver cannot choose his braking force. It is true that the coefficient of friction between tyre and road is a variable, but the driver cannot choose this in an emergency; the best he can do is to choose to drive at moderate speeds.

Thank you, Dr. Marland, for supporting the nub of my argument, but on the subject of units he is having a private joke at my expense; I could hardly quote energy values in ton-square miles per square hour to fit the British road system!

I agree that we have a psychological blind spot when it comes to our driving faults; this is related to the statement in my last letter that "it is the most difficult thing in the world to convince the fast driver that he is driving dangerously," a truth exemplified in the letter of Mr. Brook.

B. R. Bligh,
4, St. James's Avenue,
Hampton Hill, Middlesex.

Control of unions

From Mr. G. S. D. Wolf

Sir.—Jason Crisp's article (September 20) regarding Leslie Tolley, attributes to Mr. Tolley the statement that "unions should control their members." May I point out that for unions to control their members is undemocratic. The important thing is for members to control their unions. I notice the attempt of union officers and officials (of whom I am one) to guide their members in a certain course of action. All too often this turns into an attempt to dictate the course of action and this is undemocratic and not in accordance with the principles of trade unionism.

We must recognise the right of the members to decide the policy and action of the union. If we do not we may as well go and live under a dictatorship, be it communist or fascist. I for one do not wish to see industrial democracy turned into the industrial dictatorship of a few union leaders. This would be just as frightening as the dictatorship of a few employers.

G. S. D. Wolf.
12 Conway Close,
Stanmore, Middlesex.

Smaller kettles

From Mrs. Micheline Orde

Sir,—The remedy to Mr. A. Collins's problem is simple. Buy a large thermos flask. I have had one standing next to my kettle since the beginning of the energy crisis. Any hot water left in the kettle is poured in it and kept hot for any cooking job requiring hot water later in the day.

M. Orde,
Bressenden,
Biddende, Kent.

Claw-back

From Mr. N. Clarke

Sir,—In your Labour Editor's report "Tough Line on Wage Drift" (Sept. 19), the Department of Employment is quoted as saying that the "claw-back" principle in respect of excessive wage settlements was applied last year.

Ford Motors are especially prominent, at this time, in this discussion and it is interesting to see what happened there in the 1976/7 period. Ford's Annual Report indicates that wages and salaries went up from £372m in 1976 to £447m in 1977, i.e. by 20 per cent. However, the "average number of employees" increased from 68,000 to 71,000, so the average employee's pay increased by 15.2 per cent. This in a year when the rigidities of Phase 2 were supposedly operative.

It is also interesting to note that the Ford Directors' pay went up from £175,000 to £261,000 i.e. by 49 per cent — including the Chairman — up from £30,457 to £54,843, i.e. 80 per cent.

How can the Department of Employment expect anyone to take seriously its claim of having used the "claw-back" principle last year? It can only have done so on a limited and highly selective basis, which obviously did not cover companies like Ford Motors.

N Clarke.
"Maraval," Long Water Lane,
Finchampstead,
Near Wokingham.

La difference

From Mr. A. D. Read Wilson

Sir.—After a fortnight's touring in Normandy, I cannot help harking back to Pat Walker's piece under the heading "Vive la Difference" in the Weekend Brief section of September 2. Either she is uncommonly naive for a journalist, or uncommonly cunning.

In our fortnight of staying, eating and drinking in one to two star hotels, and the occasional restaurant, we met with nothing but courtesy, cleanliness and personal smartness, an obvious desire to please, the most excellent and varied French cuisine and a "Cuvee de la Maison" everywhere we went. And all at most reasonable prices, for which you would most certainly not get anything like the same standard of food and drink in England.

Largely as a result of Pat Walker's piece, we did not go to Rouen. Had we gone there, we would most certainly not have gone to the establishment of Audibert. To that extent, Pat Walker is, perhaps, cunningly getting her own back.

Had we met with treatment similar to that which she describes anywhere else, we would most certainly have walked out—which is exactly what she should have done and, probably, thereby saved herself (or you) a lot of money and discontentment. She has got the wrong end of the stick about "La Difference."

A. D. Read Wilson.
Haires House, 132, East Street,
Corfe Castle, Wareham, Dorset.

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The changing face of Oxford Street

BY DAVID CHURCHILL, Consumer Affairs Correspondent

BOURNE AND Hollingsworth's decision to accept the Raybeck group's bid of some £11.3m came as a surprise not only to the City but to the rest of the retail sector as well. It had been confidently expected that one of the larger stores groups would have snapped up B and H with its prime Oxford Street store; but in the end, a more unlikely suitor could not have been found than Raybeck.

B and H has always strived to maintain its traditional image befitting a store run by a family for three generations, while trying to come to terms with the changes of modern retailing: Raybeck is almost the exact opposite. It is a classic entrepreneurial company that has achieved rapid growth through acquiring poorly managed retailing companies and injecting some basic no-nonsense management skills to turn losses into profits. Now it can claim to be the largest retailer in Oxford Street.

But Raybeck's move into the department store arena, from its present base of clothes manufacturing and retailing, is likely to cause ripples of concern throughout the rest of the stores sector. Department stores—which in the 1960s and early 1970s looked as if they might finally fulfil predictions that they would become an outmoded form of retailing — have managed to fight back and in most cases are taking on a new lease of life. Total market share has stabilised at just under 10 per cent of relevant non-food sales, and while few new department stores are opening, few are closing.

The sector is dominated by the House of Fraser Group, which owns Harrods, and the Debenhams chain. Between them these two groups account for more than half the total sales of the department store sector. B and H is the tenth largest stores group, with under 1 per cent of the total market.

However, the arrival of Raybeck onto the scene—in what is its biggest takeover yet — has, again raised the question of whether smaller department store groups like B and H can survive in today's changed retailing world.

Although B and H is likely to continue trading as a traditional department store in the immediate future, Raybeck's long-term plans are not yet clear. With its keen entrepreneurial flair it may eventually decide that the trading problems of B and H which forced the family to sell out are too difficult for even its management to overcome.

Certainly B and H will never be the same again and those who remember the store in its halcyon days will mourn its passing. The business was founded in 1894 by William Bourne and Howard Hollingsworth, his brother-in-law, and largely concentrated on fancy drapery goods and millinery. The present site, about halfway between Oxford Circus and Tottenham Court Road, was acquired before World War I and developed in the 1920s although it was as late as 1960 before all the buildings were completely modernised.

One of the store's most admired features is the Odeon style clock whose chimes, specially composed in 1928 by Edwin Darke, a noted church organist of the time, can be heard throughout the store.

B and H's traditional customers were the lower middle classes who lived or worked in Central London. It built up a reputation for women's and children's clothing, fashion accessories, and haberdashery as well as being noted for a paternalistic attitude towards its staff.

The store's troubles began when, as often happens in retailing, the flow of trade moved away from its end of Oxford Street. B and H was isolated as stores opened on the opposite side of Oxford Circus up to Marble Arch. All the other major department stores—from the John Lewis Partnership to Selfridge's—developed in this area and so shoppers who preferred department store shopping naturally stayed in that vicinity.

B and H was joined briefly in its isolation in the early 1970s by that other store of old memories, Gamages, which had been uprooted from Holborn and allowed to wither away in Oxford Street. Even having a major Marks and Spencer almost opposite—the traditional magnet for shoppers—has not appeared to benefit B and H because customers evidently preferred M and S fashion styles.

Lost its roots

In an attempt to stem the decline brought about by the changing pattern of trade, B and H broadened its merchandising range—and thus lost its roots in the specialist market it had so carefully nurtured.

B and H's failure to halt the flow of trade to the other end of Oxford Street and to overcome the other changes in the retailing sector—such as the move to specialist discount stores offering prices far below those it could match—can also be put down to a lack of marketing and managerial flair.

In part, the strong tradition of family involvement in the store seems to have held back the acquisition of outside managerial expertise. B and H was — and is—a pleasant store to shop in but both the low customer traffic and sales per square foot of floor space made its trading position untenable. According to the company's last published accounts, for 1977, this trading decline was reflected in a pre-tax loss of almost £27,000.

Ironically, however, B and H's future was looking brighter just as it finally decided to sell up. It had just spent over £1m re-decorating and renovating the store—adding new automatic lifts and escalators. But, more importantly, there seems to be a shift in trade back to its end of Oxford Street.

This shift is shown by the new Brent Walker "Oxford Walk" development almost adjacent to B & H. It encompasses a number of small shops within the framework of a store. Also Mothercare and Dorothy Perkins chains moved into the site vacated by Gamages. At the Tottenham Court Road end of Oxford Street, a massive new shops and offices complex is being developed which will help to revitalise trade at that end of the street. And expansion into B and H's side of Oxford Street seems logical as there are few prime sites left in the stretch up to Marble Arch, and no room to expand beyond there.

Reybeck obviously felt that the market potential existed and that it could succeed where B and H's family style of management failed. Raybeck claims rather extravagantly, that B and H would be the last major store to be sold in Oxford Street and that therefore perhaps the opportunity was too good to miss.

Certainly, the group's retailing ambitions have grown rapidly since it acquired the Berkertex chain in the late 1960s. Since then it has developed its Lord John menswear chain from its Carnaby Street origins to becoming an up-market fashion leader with about 50 stores. It has also branched out into a "Lady at Lord John" chain of ladies fashion stores, mainly through acquisition of existing chains.

About two-thirds of Raybeck's profits come from its retailing interests, with the rest from its clothing manufacturing base. In the past financial year it achieved pre-tax profits of £6.41m on sales of £75.95m.

But while it has proved successful in establishing strict profit controls in the companies it has bought, the agreed bid for B and H is the most ambitious move it has yet made. Mr. Ben Raven, Raybeck's chairman, is aggressively optimistic that his management team is up to the job of making the B and H site profitable.

City analysts and other retailers, take a less sanguine view. For one thing, B and H has a number of areas, such as electrical goods and other consumer durables, furniture, and food, where Raybeck does not have a lot of trading experience. Outsiders also feel that, despite Mr. Raven's optimism, his company's undoubtedly effective management team may be fully stretched in maintaining the group's fashion store expansion at the same time as regenerating a 250,000 sq ft traditional department store.

On the other hand, Raybeck has undoubtedly managed to trade up and has acquired a prime site at reasonable cost. Although the B and H site is valued in its accounts at £5m, its true open market valuation is in excess of £11m.

But a nagging doubt remains in some analysts' minds about why Raybeck succeeded against the greater financial weight of any of the larger stores groups which could easily have absorbed B and H.

To a certain extent this may have been because the other stores groups were unwilling to take on B and H's trading problems while they are still sorting out their own. The problem that most department stores have faced is that they were losing out to the new discount operations, especially in consumer durables, or losing sales in clothing to the newer fashion chains.

But the sheer trading bulk of the 800 or so department stores scattered throughout many large towns has enabled the sector to maintain a stable market share, although the rate of growth achieved by department stores has lagged behind that achieved by other retailing multiples.

To counter their lack of growth, most department stores in the past few years have tightened up their management controls and reburnished their market image. Central buying has been strengthened to ensure that the largest discounts are obtained, thus enabling price competition with the more aggressive multiples. At the same time the large number of lines stocked by department stores has been reduced. Department stores still, however, retain their traditional advantage over smaller shops of stocking a large number of different brands of each product.

The stores have also extended their ranges in some areas, such as sports and leisure goods and children's clothes, at the expense of traditional areas like haberdashery.

Most department stores have also invested heavily in improving their image by modernisation, introducing more self-service, and generally brightening up the trading areas. Debenhams, for example, has introduced a uniform decor which makes most of its stores immediately recognisable. Other stores have introduced own label lines. John Lewis has had its Jonelle brand for some years but now the House of Fraser's own brand name, Allander, is widespread throughout its stores.

According to research carried out by the Mintel market research company, department store customers are now predominantly women, from the professional and executive social classes, and—perhaps surprisingly—mainly from the younger age groups. One in five shoppers are also said to visit a department store at least once a week. The wide choice of goods available was the most frequent reason given for department store shopping, although one in four gave price as the main factor, according to the Mintel survey.

This research confirms that department stores still have an attraction for shoppers. While the discount multiples and out-of-town hypermarkets still have the edge on department stores in their prices, there appears to be an increase in shoppers preferring the relative luxury of a large store with many different departments under one roof.

This is a trend which the current upsurge in consumer spending is likely to encourage, with shoppers wanting to spend their increase in disposable income in a pleasant and convenient environment rather than in the more austere surroundings typically found in a discount operation.

Terry Kirk

Mr. Ben Raven, chairman of Raybeck: "aggressively confident"

Weekend Brief

Sales Ahoy

The variety of people swarming over and under the exhibits at the Southampton Boat Show this week has been as diverse as the boats and marine equipment crammed into Mayflower Park and bobbing up and down on the estuary.

Hardy sailors with tough, tanned faces and bulging stomachs (kept afloat by soft-tread deck shoes), sharp-eyed businessmen whose passion is sailing; agents with a good investment in mind. And there were the novices who had come for the show itself.

By tonight at least 100,000 people will have passed through the turnstiles since it was opened on Monday by Naomi James, the New Zealand-born woman who sailed single-handed around the world in her 53 ft yacht.

Behind the whirr of candy-floss and ice-cream cooling machines, there has been a lot of serious talk going on this week. Luxury yachts on display cost around £250,000 though boats in this class gathered more silent awe than a signature across the dotted line.

It has been estimated that orders this year will top last year's—for both domestic and export markets. Last year a figure of £11m was bandied about—£6m for domestic sales and £5m abroad. It is an arbitrary amount since there are boat owners at the show who would rather keep quiet about the total number and price of orders. This year a sum of £22m is forecast and it could be more. Even so, it is a stab.

Ten years ago the boat show opened with 35 exhibitors. In a decade the number of exhibitors has multiplied by 13 times, the number of visitors by 45 times and the sales figures by at least 20 times. With such a product range this year it was hard to see just where the biggest honey-pot lay.

Westerly Marine Construction, one of the biggest boat builders at the show, lured large numbers of people around its yachts. The "star" appeared to be the racing yacht J24, the first Westerly-built version of the U.S. one-design to be shown in the UK.

Another yacht which made its debut at Southampton was the Condor 37, an Olin Stephens design. It is uncluttered looking, with well-thought-out features including a sail hatch in the bridge deck through which both wet sails and sailors can slip after duty aloft.

In a boating world dominated by glass fibre one boat created considerable interest, more through difference than spectacle. The Trader 40 is a wooden cruising yacht. It has an iroko hull with teak decking and interior—and smells of it too.

Freewind Marine Company decided that it was time for a British company to bring the traditional wooden yacht back into production (few builders manufacture on a production basis) and a year ago it began building at its Portsmouth yard. Mr. Joe Webb, chairman, proudly announced he had already sold the "show" boat (later confessing he had bought it himself) and reckoned that nostalgia and a bit of common-sense will bring people back to the wooden boat. One agent confided that at £48,000, Freewind is walking a fine line between disaster and success.

To put the yacht bias aside the boat show has brought an amazing array of jet boats, motor cruisers and small craft. But marine equipment formed the geographical heart of the show. Justifiably too, since sales have risen dramatically since the home boat market remains static and demand from abroad has increased.

Of the £145.2m home sales made by the industry as represented by the Ships and Boat Builders National Federation members, £41.3m came from equipment, £17.9m from engines and £45.4m from boats. Britain is one of the leading producers of marine electronics and this year should see a growth of about 6 per cent in sales—much of that will have derived from the boat shows at Southampton and Earls Court.

As the exhibitors return to home base and as beer cans and ice-lolly sticks are carried off, the organisers must be wondering if the Southampton boat show has the potential of becoming even bigger than Earls Court. The space, atmosphere (lapping water and dock cranes hovering nearby) and ready access is already there. A bit more time, better facilities and Southampton could easily be Number One.

Sober Experience

There was an ironic incongruity in the choice of the largest French-speaking city outside metropolitan France for the annual meeting of finance ministers from 37 countries whose only real link is their common use of the English language. Otherwise this week's discussions of the 200 or so representatives from the Commonwealth appeared to be very much like those of any other convention in the brand-new Hyatt Regency Hotel in Montreal. The tone was reminiscent of the annual meeting of leaders of a religious sect discussing progress in making conversions in their separate countries.

There was certainly no suggestion of flamboyance or colour about the proceedings. Apart from India and certain East African states, all the participants were dressed in the Whitehall style of dark suit—a lingering vestige of post-Imperial influence. All this was in marked contrast to last year's meeting in Barbados, of which the most memorable feature was the sight of Denis Healey taking a dip in the sea.

On this occasion there was no such lightness, and indeed an earnestness in almost inverse relationship to the significance of the occasion, which this year, as before, turned into a succession of pleas for increased assistance to developing countries. There was not even any disagreement between rich and poor nations as the two main industrialised countries present—the UK and Canada—supported the developing countries in their cause for increasing the resources of the World Bank and International Monetary Fund. As Healey pointed out in his own speech, the real obstacle lies in the U.S. Congress, and these issues will really be resolved down in Washington at next week's annual meetings of the Fund and the Bank.

But this lack of point did not deter some debate about the wording of the communique and did not dampen the spirits of the Commonwealth enthusiasts. So no opportunity was lost to ram home the message of Commonwealth co-operation. This was appropriately summed up in a wall chart proclaiming the rise "in the number of long-term experts" working on technical co-operation, as if this was some yardstick of the success of the Commonwealth ideal. Officials from industrialised countries made occasional world-weary comments wondering whether it would ever be possible to give any real meaning to the meeting. Meanwhile Healey continued the long-standing tradition of using the opportunity to make comments about wholly different subjects. Last year he gave advanced hints about the tax cuts in his autumn budget and this year at his Press conference he discussed the UK's concern about the current discussions of the European Monetary System. It was all a very long way from the crusade for Empire Free Trade and the heated arguments about imperial preference.

Irish Eyes

Students of the Irish West Country will be aware that the numerous country folk who gathered for the Galway Oyster Festival have now moved south, across the moonlike landscape of the Burren, to Lisdoornvarna in Co. Clare. Your reporter, by the way, was happy to note that the hurricane which devastated much of western Scotland failed utterly to destroy the ageing marquee in which the World Oyster Opening championship was staged and that the local champion, Willie Moran, retained his title. Other memories of the event are somewhat clouded by the liquid refreshment that Messrs. Guinness supplied free to the local populace.

However, those of us who could made our way to Clare and the tender mercies of the Lisdoornvarna match-maker. Irish country practice is still for children to stay at home until both parents die. This produces a constant flow of middle aged farmers (male and female) suddenly bereft of parents and eager to find someone who will help with the milking. It is nowhere near as light-hearted as it sounds. Some 14,000 people packed the village last weekend, some 2,000 of them reckoned to be looking for mates.

This normally quiet place is packed with visitors throughout September and with pub hours stretching from 11 am to 11 pm things tend to turn lively pretty quickly. Your man on the spot was researching carefully when a hand tugged at his arm. "Would you like a glass of water, Sir?" "Water is it? And I would not," I replied. "Well, let's just say it's a clear liquid in an unlabelled bottle, Sir." Oh well, there goes another afternoon.

Economic Task

Life for an economist asked to sit on a Royal Commission is not easy. "Five years' hard labour" was the way Prof. Alan Prest described his experience with the Pearson Commission set up in 1973 to look at the complex technical and legal problems involved in the isues of civil liability and compensation for personal injury.

His own experience, he said in the Three Banks Review, showed that the academic economist had to get used to thinking differently from the approach he would adopt in his own normal environment, and to what amounted to hostility from the practical men involved. The economist could not sit on the fence crying "on the one hand . . . but on the other," but had to contribute to specific recommendations.

He had also to be aware of the suspicion of many practical men towards academics. "There is a strong feeling that those who dabble in theoretical issues are likely to have both feet firmly planted in the air and be totally inacapable of coming to grips with the things which really matter."

The suspicion was even greater, he said, if the academic involved was a social scientist rather than coming from practical subjects such as chemistry and engineering. And there could be political doubts; "Matters are made even worse if an academic happens to be on the staff of the London School of Economics; the relief that all such people have private telephone lines to Peking dies very hard indeed."

The usefulness of the Royal Commission procedure was also questioned by Prof. Prest in his colourful style. Far too often, he suggested, they were set up to shelve an awkward question and to avoid embarrassing the Government of the day; and too often, their recomendations were limited by the awareness that radical proposals would be unacceptable. Much to frequently, he also indicated, the proposals put forward had no real impact.

The standards by which the reception of a Royal Commission report should be judged, he said, had been set out many years ago by M. Greenwood in the Journal of the Royal Statistical Society. "On the day of publication, The Times would print a good summary and an appropriate leading article. The less Olympian papers would be content with slogans—Civilisation at the Cross roads—Commission's Grave Warning—with inset portrait of the chairman (if a peer). There would be a few letters in the Sunday papers, a few questions in the House: possibly a debate on the motion for adjournment. Then the Report would die: like the works of Pictor Ignotus, surely, gently die, to rise again (fractionally) in professorial lectures."

Pearson perhaps did a little better than this; the FT regarded it as "exceedingly thorough and clearly written analysis." But though Prof. Prest did not write the Royal Commission off completely, he suggested strongly that the purposes and methods now used should be subjected to a new examination.

Contributors:
Colleen Toomey,
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Arthur Sandles,
and Peter Riddell.

Economic Diary

TODAY—Group of Ten finance ministers meet ahead of World Bank—International Monetary Fund annual meeting, Washington.

SUNDAY—Interim committee of IMF meets under chairmanship of Mr. Denis Healey, Chancellor of the Exchequer. Mr. Len Murray, general secretary, Trades Union Congress, addresses TUC pensions rally, Trafalgar Square, London.

MONDAY—Bank of England statement on quarterly analysis of bank advances (mid-August). World Bank—IMF meeting starts. EEC Agriculture Council begins two-day meeting in Brussels—discussions expected to cover plans to reduce milk surplus. Mr. Roy Jenkins, EEC Commission president, at opening of Seventh World Planning Congress, Dorchester Hotel, London. International Federation of Cotton and Allied Textile Industries conference opens, Grosvenor House Hotel, London—address by Vicomte Etienne Davignon, Commissioner for Industry of the European Communities. British Tourist Authority annual report. National Food Survey report on consumption (2nd quarter). Britain begins discussions in Copenhagen with three Scandinavian countries on new air traffic agreement.

TUESDAY—Mr. Denis Healey addresses World Bank—IMF annual meeting. September provisional figures of unemployment and unfilled vacancies. Chrysler's Dunstable and Luton workers' wage claim due for hearing by Central Arbitration Committee.

WEDNESDAY — TUC general council meets, Congress House, London. Social workers' one-day "token" strike expected in all 32 London boroughs. Council of Europe Parliamentary Assembly opens, Strasbourg. Environmental Health report. Headmasters Conference opens, Exeter University.

THURSDAY—Address by Mr. Dom Mintoff, chairman, at Council of Europe meeting, Strasbourg. British Institute of Management pay and productivity conference, Hilton Hotel, London. Announcement by National Union of Agricultural and Allied Workers on agricultural land nationalisation. Energy Trends publication. Department of Employment Gazette will include unemployment (August-final), employment in the production industries (July), overtime and short-time working in manufacturing industries (July), and stoppages of work due to industrial disputes (August).

FRIDAY—Labour Party national executive meeting, Imperial Hotel, Blackpool.

COMPANY NEWS

Market rally comes too late for Telefusion profits

A GENERAL improvement in the market came too late to assist the profit of Telefusion for the year ended April 29, 1978, and the pre-tax figure was reduced from £3.09m to £2.07m.

However, group turnover and trading profit were at record levels and the directors are optimistic about future trading. For the first three months of the current year, both turnover and profit are materially ahead of the same period last year.

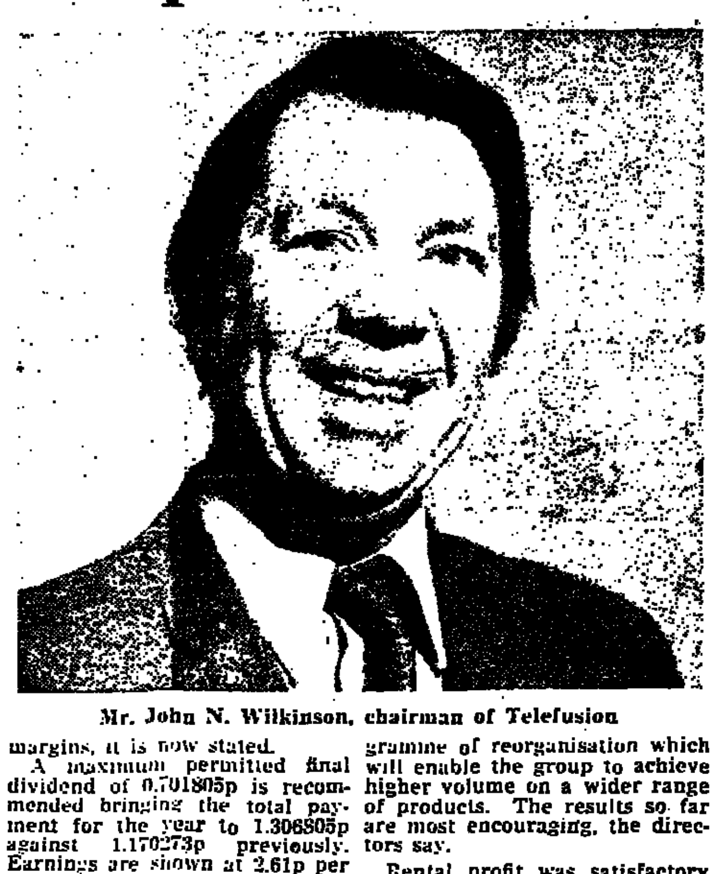
The year's pre-tax profit is struck after charges, including depreciation and leasing charges up £1.16m, reflecting continued expansion of the rental business, the directors say.

	1977-78	1976-77
	£000	£000
Turnover*	65,398	62,011
Trading profit	12,129	11,910
Invest. income†	206	176
Depreciation	7,247	6,367
Equipment leasing	1,949	1,634
Interest paid	902	810
Auditors, directors	167	141
Profit before tax	**2,069**	**3,094**
To defd. tax	722	17
Tax on invest. income	13	9
Overseas tax	196	121
ACT credit	91	‡28
Net profit	1,218	2,969
Extraord. credit	137	‡306
Available	1,355	2,663

* Excluding VAT. † Plus interest and rent received. ‡ Debit.

First half profits had dropped sharply from £1.18m to £910,000 but the board anticipated then that second half profits would exceed those of the first six months. Should the level of consumer spending show a suitable recovery, in the second half, the increased profit could be material, the directors stated.

For most of the year retail sales were at a generally depressed level on reduced margins, it is now stated.



Mr. John N. Wilkinson, chairman of Telefusion

A maximum permitted final dividend of 0.701805p is recommended bringing the total payment for the year to 1.306805p against 1.170273p previously. Earnings are shown at 2.61p per ordinary and "A" (non-voting) share.

Cash flow generated from group operations was £9.3m (£9.41m).

Larger retail superstores with warehouse facilities are now being opened under a programme of reorganisation which will enable the group to achieve higher volume on a wider range of products. The results so far are most encouraging, the directors say.

Rental profit was satisfactory and will continue to provide a sound base for the future. The overseas subsidiaries also continued to perform well.

Meeting, Connaught Rooms, WC, October 26, at 12.30 pm.

See Lex

Ward White heads for record year as first half tops £2m

AS EXPECTED, results of the **Ward White Group** have shown further satisfactory progress in the first half of 1978 with pre-tax profits rising from £1.3m to £2.16m on sales of £31.8m against £29.88m.

And Mr. G. E. McWatters, the chairman, expects results for the full year will show a substantial improvement over the record £3.2m pre-tax achieved in 1977.

As a result of the share issue for the acquisition of Betts and Broughton and also the retained profits arising in 1978, the group balance sheet has been further strengthened, the chairman says.

Basic earnings per 25p share are shown at 13.16p against 9.13p and 8.25p (7.45p) fully diluted.

As indicated in April, the directors are declaring an interim dividend of 1.34p (1p) net—last year's final was 1.7p. It is still intended to recommend a final payment equal to 4p gross.

The £853,000 increase in pre-tax profit in the first half of 1978 was achieved after the receipt of temporary employment subsidy amounting to £155,000 compared with £579,000 in the first half of 1977.

	Half-year 1978	1977
	£000	£000
Sales	31,801	29,884
Trading profit	2,618	1,975
Interest charges	462	672
Profit before tax	**2,156**	**1,303**
Tax	1,111	663
Net profit	1,045	640
Minorities	27	49
Preference div.	125	6
Attributable	893	585

The first half result contains only a two-month contribution from Betts and Broughton. This new safety footwear subsidiary is making a valuable contribution to the universally buoyant trading being enjoyed by all the companies in the safety products division, says the chairman.

The footwear manufacturing division more than doubled its contribution to group profit in the first half, despite the continued high levels of low-priced imports. Footwear distribution also enjoyed a record first half, while the footwear retailing division increased considerably its turnover in line with the current upturn in the level of consumer spending.

• comment

Ward White has raised margins substantially on little-changed sales by reducing as much as possible the business in which it competes directly with cheap imports. This has meant switching increasingly away from basic shoes to up-market footwear and the industrial footwear produced by its safety products division, recently strengthened by the consolidation of Betts and Broughton. The company is looking for more acquisitions in this sector, in Europe and the U.S. as well as at home. Its distribution arm has been increasing its purchases abroad for sale in the UK now that Ward White itself has cut back on the manufacturing of volume shoes. Now that the company's equity base has been broadened and it no longer has to consider selling its retailing division this, too, is a possible candidate for expansion through acquisition. the group's capital employed was up to around £19m at the half-year against £15.5m at the end of 1977. Pre-tax profits could reach £4.5m this year including an eight-month contribution from Betts and Broughton. At 11½p the shares yield 5.2 per cent.

MOORGATE INVESTMENT

Moorgate Investment Company has arranged to increase an existing multi-currency loan facility of US$100,000, due for repayment on January 31, 1981 by an additional $100,000 for the purpose of financing further portfolio investment overseas.

Midterm upsurge at Clyde

ON FIRST half 1978 turnover well ahead from £4.91m to £7.39m taxable profits of **Clyde Petroleum** more than doubled to £696,000 against £329,000 last time. For all of 1977 profit was £1.12m.

However, after a tax charge for the six months, of £563,000 compared with a credit of £4,000, unrealised exchange credits £152,000 (£72,000) and minorities, the attributable profit came out lower at £315,000 against £476,000.

The Board states that with the disposal of the 29.8 per cent holding in Lyon and Lyon and the placing of substantially all of the Clyde shares owned by Clyde Petroleum (Minerals), the group's financial position remains strong.

£0.18m by Thos. Walker

FROM TURNOVER little changed at £1.73m against £1.71m, profits before tax of **Thomas Walker** amounted to £180,023 for the year ended June 30, 1978, against £213,951 in the previous year. First half profits had fallen from £103,409 to £78,646.

Earnings per 5p share are shown at 1.42p against 1.78p. An unchanged final dividend of 0.639p maintains the total at 0.8065p.

Tax charge for the year amounts to £94,726 against £107,176.

Alfred Walker in profit

IN THE year ended April 30, 1978, pre-tax profits of **Alfred Walker and Son**, building contractor and property developer, were £57,000 from turnover of £4.35m. In the previous 16 months, the group incurred a loss of £500,000 when sales were £7.2m.

At halfway, there was a loss of £43,000 compared with a £23,000 profit and the directors said indications were that a break-even would be shown in the 12 months.

After tax of £15,000 against a credit of £180,000 earnings per share for the year are shown at 0.93p (11.97p loss). Again there is no dividend—the last payment was a single 1.75p payment in the year to December 31, 1975.

Attributable profit was £28,000. In the 16 months previously there was a loss of £234,000 after an extraordinary credit of £125,000 and minorities.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corresponding div.	Total for year	Total last year
A. F. Bulgin	int.	0.63	Nov. 21	0.55	—	1.31
Blue Bird		1.28	Nov. 4	1.43*	2.29	2.04*
S'hampton, IoW	int.	3.5	Nov. 24	3.13	—	8.94
Telefusion		0.7	Nov. 6	0.61	1.31	1.17
Third Mile	int.	0.5	Oct. 30	0.49	—	0.99
Thomas Walker		0.64	—	0.64	0.81	0.81
United Capitals Tst.	int.	0.41	Nov. 7	0.41	—	0.94
Walth'stow. Stad.		2	—	—	22	19.8
Ward White	int.	1.34	Nov. 10	1	—	2.7

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

Blue Bird expands 35% to peak £0.77m

ON SALES up by 24 per cent from £7.97m to £9.9m taxable profits of **Blue Bird Confectionery Holdings** expanded 35 per cent from £569,205 to a record £771,222 for the year to June 24, 1978.

At the interim stage the directors reported profits ahead from £275,006 to £364,045 and said that prospects for the year were promising.

They now say that currently sales are buoyant, and prospects for the 1978/79 year are good.

Net profit was £694,140 against £417,288 after tax of £77,082 (£151,917) giving earnings of 42.7p per 25p share compared with 25.6p. The lower tax charge arose from stock relief and capital allowances.

The dividend is effectively increased to 2.29286p (2.04393p) with a final payment of 1.2773p net.

	£	£
Turnover	9,901,000	7,978,000
Trading profit	943,357	709,373
Pre-tax profit	**771,222**	**569,205**
UK tax	77,082	151,917
Net profit	694,140	417,288
Attributable	694,140	417,288
Pref dividends	3,522	3,522
Interim dividend	28,599	14,502
Proposed final	46,442	32,080

The production capacity of the Hunnington plant has been increased to meet rising demand and additional capacity is planned for the current year.

Work on the new distribution warehouse is well advanced and is scheduled for completion in April 1979.

Export sales were a record £1.35m and the diverse markets make the company less vulnerable to the vagaries of foreign exchange, the directors state.

The wholesale division performed well with an increase in earnings of 80 per cent, they add.

Bulgin sees peak for year

PRE-TAX profits of **A. F. Bulgin and Company**, electronic and electrical components manufacturer, advanced from £473,000 to £631,000 for the half year to July 31, 1978.

The directors say that order levels continue to be good and given a continued favourable economic climate they are confident the company will continue to "break its own records."

In March the directors reported a record £1m taxable profit for the 1977-78 year.

After tax for the first half, of £328,000 against £246,000, net profit was £303,000 (£227,000) giving earnings of 1.52p (1.14p) per 5p share. The net interim dividend is stepped up from 0.55p to 0.625p—last year's final payment was 0.7645p.

ISSUE NEWS AND COMMENT

Local Authority raising £25m

London Borough of Southwark is raising £25m by the issue of 12½ per cent redeemable stock 1987 at £99½ per cent. Applications open and close next Wednesday.

The stock is payable as to £10 per cent on application, £40 per cent on October 31, and £49½ per cent on December 12. It will be redeemed on August 15, 1987.

Applications must be for a minimum of £100 stock or in multiples of £100 for applications up to £1,000 stock. Increased multiples are necessary for larger applications.

Interest will be payable on February 15 and August 15. The first payment (on February 15, 1979) will be at the rate of £3.0658 per cent (less tax).

Payment in full may be made on or at any time after October 31 and discount of £7 per cent per annum will be allowed from that date or from any subsequent date of full payment.

Brokers to the issue are J. and A. Scrimgeour.

• comment

The terms of Southwark's offer appear to be much in line with the market. At the issue price it offers a running yield of 12.563 per cent with 12.595 per cent to redemption. The issuing house compares it with Southend-on-Sea's £7m 12 per cent stock 1987 issued in June, which is offering a flat yield of 12.35 per cent and 12.54 per cent to redemption. No doubt though the market will be looking at other issues of similar length. Kensington and Chelsea's 11 per cent stock (issued last December) offers a running yield of 12.22 per cent with 12.47 per cent to redemption but Islington's 12½ per cent stock (issued a year ago) offering 12.69 per cent flat and 12.66 per cent to redemption makes Southwark look overpriced. Of course the success of the issue will depend on the movement in the gilt market before next Wednesday.

Reports to Meetings

Volume growth at Hogg Robinson

THE PERFORMANCE of **Hogg Robinson Group** in the first three months of the current financial year was encouraging, Mr. Morris Abbott, the chairman, said at yesterday's AGM. He said he felt sure the group would again have a satisfactory year.

"We continue to see a noticeable improvement in the volume of new business and new clients and provided we keep our expenses under control, which is our constant task, we shall do well," he said.

The UK insurance broking division was doing particularly well. The international and reinsurance divisions were holding their own despite having to make good the benefit they previously received when sterling was weaker.

The shipping and freight departments were now operating profitably and with the continuing success of the travel company, he felt certain shareholders would see a noticeable improvement in the transport division's contribution at the end of the year.

While the group's underwriting agencies, overseas subsidiaries and investment income were major contributors to profits, he said he could only reiterate his remark of last year that it was too early in the year to make useful comment; "but I have no reason to doubt that they will continue to make a worthwhile contribution to our profits.

"We have established a sustained pattern of profits growth over the past five to six years and barring unforeseen circumstances, I believe that this year will show a continuance of this growth," he said.

At the annual meeting of **Magnet and Southerns**, Mr. S. Oxford, the chairman said sales for first five months of this financial year were up by 15 per cent compared with a year ago. Perhaps more importantly nearly all of this reflected an increase in volume.

The weight of improvement came from sales to the home improvements market where the group appeared to be getting a good share of the increase in consumer spending. This market continued to look good and would bring obvious benefits to the group, he said. Unaudited profit figures for the first five months were substantially better than for the same period last year.

At **Unitech** Mr. Peter Curry, the chairman, said he had stated in the annual report that the year had started well and that since writing the report the group had had a further month's trading and for the first three months sales were 30 per cent up on the same period last year, "this good start would indicate another record year in sales and profits for the group," he said.

Results due next week

Another busy week lies ahead with several more big companies reporting interim figures. Half-year results are expected from **Fisons, Dunlop Holdings, Tootal**, the new slimline **Vickers, Tarmac**, with **Legal and General, Hambro Life** and **Alexander Howden** providing half-time interest in the insurance sector.

Analysts are expecting interim profits of £13m to £14.5m (£8.5m) from **Fisons** on Monday. Scientific equipment acquisition, Gallenkamp, should make a first-time contribution of roughly £1m pre-interest but much of the growth is likely to come from fertilisers. This side only broke even last time, but with the help of some price increases is expected to continue last year's second half recovery. On the other hand, the pharmaceutical and agrochemical interests are big exporters (particularly to North America) so dollar earnings will be hit by currency movements. The Intal launch in the U.S. has not gone as well as had been hoped and more success here (the biggest pharmaceuticals market in the world) would obviously boost the second half. Meanwhile, troubles with Ficam have apparently been sorted out and a new product is currently being launched. Brokers are going for full year profits of £26m-£28m.

Following last year's second half downturn brokers are not expecting much joy in Thursday's interim figures from **Dunlop**. Estimates range from £21m to £26m (£31.6m) with full year expectations between the £44m and £54m marks. The wide discrepancies among forecasters can best be explained by the group's huge turnover (£1.3bn last year) and comparatively low profits—a tiny twist in margins clearly has a big impact. However, the word has been getting round that the first six months have not been good. Excess tyre capacity in Europe (one-third of group sales) has been compounded by cheap imports from Eastern bloc countries. There are also problems in the South American subsidiary although overseas markets have apparently held up well and have the most growth potential. Dunlop is one of many waiting for an upturn in world trade.

Compensation is the key issue for **Vickers** watchers at present especially since payments will help relieve the group's highly geared balance-sheet. Interim profits on Thursday, however, will give some clue to the progress of its non-nationalised interests. Estimates range from £5½m to £7½m (£18.1m)—the comparable period included an £11.8m contribution from shipbuilding and BAC at the trading level. The big problem area is still offshore engineering which, burdened by high development costs and tough competition, may not even break into profit next year. Prospects in Canada and Australia do not look particularly healthy but on the plus side UK engineering is doing well, Roneo has apparently cashed in on relaxed price controls in France, and further growth looks likely from lithographic plate maker Howson. Heavy interest charges, however, will eat into profits which should reach £14.5m-£15m in the full year.

There has been some nervousness in the stock market ahead of **Tarmac's** interim results due on Monday. With all the problems of the group's dash for growth in difficult overseas markets still hanging over it there is much talk in the market that further exceptional items could appear in the latest figures. Some analysts are not attempting to make a forecast, but those that are suggest that £8.5m pre-tax is possible compared with nearly £10m. The group has been hit by the bad winter weather (worse than the previous year) in the UK; while trading in Germany and France has remained a cause for concern within the group. Demand in some of the developing countries has not been as bouyant as in recent years.

Textile companies have been slow to respond to the upturn in consumer spending, so **Tootal's** first half results, due out on Wednesday, are not expected to break any records. The home market has been difficult while exports have been held back by the stronger pound. Overall, analysts expect around £8m, compared with £8.84m last time. But prospects are now brightening. Demand has started to pick up and the benefits from the Multi-Fibre Agreement should start showing up in the second half. Forecasts for the full year are in the region of £23m (£21.7m).

Adverse weather this winter, combined with continuing under-insurance is expected to send underwriting losses of **Legal and General** down to £3m at the half-year stage. However, with buoyant pensions business lifting investment income to £9½m and a higher life fund contribution, after-tax profits, due on Wednesday, could be £1m higher at £6.3m. **Hambro Life** (interims on Friday) has now run out of the dividend concession period for newly-quoted companies and a 10 per cent lift in the interim is likely despite the expected good new business figures. Pre-tax profits, due on Thursday, of brokers **Alexander Howden** are expected to be £1½m higher at £11½m after six months, with better results from Lloyd's underwriting activities, but growth still being held back by costs pressures arising from the head office move. A better second half is predicted.

Other results to note are interims from **Foseco Minsep** (on Wednesday) and **C. T. Bowring, Wimpey** and **Ready Mixed Concrete** (on Thursday).

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
A. B. Electronic Products Group	Tuesday	1.5	3.34256	2.0
Adwest Group	Monday	2.5	5.2479	3.5
Amber Day Holdings	Thursday	0.6665	1.2691	0.7311
Beckman (A.)	Wednesday	1.615345	2.544	1.77
Campari	Wednesday	0.846857	0.827	1.976
Chambers and Fargus	Monday	Nil	0.245	Nil
Charterhall	Thursday	Nil	Nil	Nil
Footwear Industry Investments	Thursday	1.2705	2.60474	1.4
Galliford Brindley	Thursday	0.75	2.509	0.75
HTV Group	Thursday	2.5	4.0	3.0
Hunt and Moscrop (Middleton)	Wednesday	0.228218	0.462763	0.255
Martin (R. P.) and Co.	Thursday	2.5	3.14	2.8
Parker Knoll	Monday	0.573	2.353	0.875
Sime Darby London	Thursday	Nil	Nil	Nil
Slough European Investment Trust	Tuesday	Nil	1.5	Nil
Startrite Engineering Group	Wednesday	1.2	2.286	1.4
Throgmorton Secured Growth Trust	Wednesday	0.6125	1.5625	0.6125
INTERIM DIVIDENDS				
Aberdeen Construction Group	Thursday	1.787	2.92	
Alpine Holdings	Wednesday	0.537	1.65†	
Alva Investment Trust	Wednesday	2.805	3.3	
A P V Holdings	Thursday	2.00115	3.706	
Ayrshire Metal Products	Wednesday	1.2347	2.1776	
Bowring (C. T.) and Co.	Thursday	0.9875	2.479374	
Bramall (C. D.)	Monday	—	—	
Brown Bros Corpn.	Thursday	0.37	0.772	
Carclo Robey and Co.	Friday	0.3	1.33	
Combined English Stores Group	Thursday	1.2357	1.7046	
Dunlop Holdings	Thursday	2.67	2.57	
Early (Chas.) and Marriott (Witney)	Friday	0.715	1.036	
Fisons	Monday	5.412	7.446	
Foseco Minsep	Wednesday	1.59	2.6461	
General and Commercial Investment Tst.	Monday	2.0	2.92	
Hambro Life Assurance	Friday	5.4	14.6	
Hay (Norman)	Tuesday	1.0	2.8	
Howden (Alexander) Group	Thursday	2.5	4.09	
[illegible] (Charles)	Friday	2.15	5.5	
[illegible] Group	Tuesday	2.174	6.081	
Jersey Electricity Co.	Monday	4.3	7.0	

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
Legal and General Assurance Society	Wednesday	2.057	3.66	
Lyle Shipping Co	Friday	2.4	2.81	
MacLellan (P. and W.)	Thursday	0.5	0.8	
Manders (Holdings)	Wednesday	0.8216	1.7207	
Martin (Albert) Holdings	Monday	1.5	2.198	
Metalrax (Holdings)	Monday	0.4	0.659227	
Miller (F.) (Textiles)	Friday	0.7262	0.7281	
Modern Engineers of Bristol (Hldgs.)	Friday	0.9735	1.722	
Morrison (Wm.) Supermarkets	Thursday	0.32333	0.42722	
Neill (James) Holdings	Friday	2.158	3.642	
Newman Industries	Tuesday	1.375	3.615	
North British Canadian Investment Co.	Friday	1.0	1.7	
Office and Electronic Machines	Tuesday	1.278	2.5	
Owen Owen	Thursday	0.615	2.2984	
Ready Mixed Concrete	Thursday	2.3	3.27	
Rosedimond Investment Trust	Tuesday	2.0	2.155	
Royco Group	Friday	0.5	1.0	
Rue Estates Holdings	Monday	3.0	10.0	
Sunlight Service Group	Tuesday	0.35937	0.78211	
Tarmac	Monday	3.57	6.234	
Thomson T-Line Caravans	Wednesday	1.65	1.65	
Tomatin Distillers Co.	Tuesday	0.81	2.18725	
Tootal	Wednesday	0.9	1.8238	
Unicorn Industries	Tuesday	1.9521	3.4739	
Vickers	Thursday	3.85		
Walker (C. and W.) Holdings	Wednesday	2.5	3.3	
Wainhomes (Holdings)	Tuesday	0.674175	2.0573	
Whatman Reeve Angel	Thursday	2.228	1.514	
INTERIM FIGURES ONLY				
Berger Jenson and Nicholson	Thursday			
Channel Islands and International Inv. Tst.	Monday			
Finlay (James) and Co.	Thursday			
Gates (Frank G.)	Thursday			
Hanger Investments	Tuesday			
Hewitt (J.) and Son (Fenton)	Thursday			
Wimpey (George)	Thursday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Company, which had shares listed in June, forecast an interim of 1.75p and a final dividend of 2.75p. ‡ 18-month period. § Second interim.

UNIT TRUSTS

Casting eyes towards the rising sun

It's the lure of the golden Orient that unit trust fund managers are playing on this weekend. And not just any old fund managers: some of the best-known names in the industry are recommending that readers should cast their eyes towards the rising sun. For a start we have **Save and Prosper**, suggesting that an investment in its **Japan Growth Fund** is an excellent way to take advantage of the economic potential of Japan. Potential is the mainspring of Gartmore's appeal for its **Far Eastern Fund**, as well, only in this case it's more the potential of Hong Kong, in which 46 per cent of the portfolio is invested. And **M and G Far Eastern and General Fund** is also, say its managers, particularly well placed to take advantage of these volatile and specialist markets. All three funds have performed extremely well this year, which was only to be expected; but the M and G and S and P funds also have a good longer term record (though S and P's fund underperformed a couple of years ago); and Gartmore could quite probably claim the same distinction if its history were as long.

All three are strictly funds for those who are looking for growth in their capital; but the **New Cabot Recovery Trust** should appeal to investors who want both. The estimated gross starting yield is 6.1 per cent, but the managers reckon that by investing in recovery situations (like some heavy industrial companies at the moment), they will be able to produce above average growth in capital as well.

For those investors who want income there is a fine choice available this week. The requirements of an income fund are threefold: A high initial yield, good growth prospects and regular income payments. But these objects are somewhat at odds with one another: one cannot, for instance, combine the highest income and good growth prospects, since the highest income comes from fixed interest investments like preference shares. For those who don't object to the fact that their income is likely to rise little, if at all, **Tyndall** (another group which is taking advantage of the lure of the East, with a new fund out this week) is offering its very high yielding **Preference Fund**. The estimated gross starting yield on this fund—another relatively recent introduction—is 12.25 per cent. If, however, you want your income to rise, you should look elsewhere.

In particular you might consider one of the two groups which are offering plans this week for the investor who wants regular income. In each case there is some fixed interest content, though in the combination which Barclays has put together—its **Unicorn Income Trust**, and its **Unicorn Extra Income Trust**—the content is small. The benefits—in terms of rising income—should work through in future years, but for the moment there is a penalty; a holding in the two funds (between them providing income four times a year) will yield less than 7 per cent.

The **Schlesinger Monthly Income Portfolio**, in contrast, offers over 10 per cent—by dint of a large holding in preference shares, which will slow down future income growth.

If you are not particularly bothered about the frequency of income payments, however, you might well consider instead the **High Yield Fund** which Allied ("We're on Your Side") Hambro is offering this weekend. It is substantially invested in equities, and the income on the units has, over the period since the launch in 1974, risen by more than the rate of inflation—which is an adequate justification for that policy. At the moment the yield is 7.5 per cent.

Finally, **Canada Life Unit Trust Managers** are drawing the attention of investors to their **CanLife Share Exchange Scheme**. This enables investors to switch from direct equity holding into unit trusts, at a lower expense than would be incurred by going through the same manoeuvre on the open market.

BIDS AND DEALS

Major share sales hit Stock Exchange

The stock market was alive with reports of share placings worth a total of over £18m yesterday, the most important of which were unexplained sales of stakes in Standard and Chartered Bank and Midland Bank.

Both these stakes were sold by the consortium bank, Midland and International Banks (MAIBL), of which Midland Bank together with Standard and Chartered are shareholders. But the three organisations declined to admit that the sales had taken place. "It would be totally inappropriate for anyone to comment today," said the deputy general manager and secretary of MAIBL, Mr. D. Ball.

MAIBL sold 2.13m shares of Midland Bank at around 350p per share, raising £7.5m, and 1.17m shares in Standard and Chartered at around 404p per share raising £4.7m. With no official explanation for the sales, brokers speculated about whether the proceeds would be invested elsewhere or whether the deals had some deeper significance. No major item of capital expenditure has been announced.

The placings, particularly of the Standard and Chartered shares, were at a material discount to the market price. Standard and Chartered closed the day down 10p at 425p while Midland Bank fell 5p to 360p.

Other major placings yesterday were of 4m UBM group shares for about £3m, 1m shares of Boots for £2.1m and ½m shares of Molins for around £0.7m. Further large amounts of Thorn shares also came onto the market for the second day in succession.

The UBM sale resulted from takeovers by UBM where its shares had been issued as consideration.

Saint Piran accepts Comben offer

The last remaining obstacles in Comben Group's full acquisition of Orme Developments were removed yesterday when Saint Piran finally accepted the cash and shares offer and together with the Orme board recommended other shareholders to do likewise.

Comben has now received acceptances from holders of 83 per cent of the Orme's capital. The bid went unconditional earlier this week. Saint Piran's acceptance of the offer means that it will receive over 10 per cent of the increased capital of Comben as consideration.

Saint Piran apparently does not intend to be a long-term holder of this stake but is under no great pressure to sell at a poor price in view of the relatively high yield on Comben shares.

Dawson Intl. rejects William Baird offer

Dawson International, a luxury knitwear manufacturer, yesterday rejected a £30m share and cash offer made by **William Baird**, its major shareholder, for the capital it does not already own.

In the absence of Mr. Stanley Field, Baird's representative on the board, Dawson directors unanimously stated that the proposals offered no commercial benefit to Dawson, undervalued the company's assets and took no account of the group's future prospects.

The conclusions were fully supported by merchant bank, Samuel Montagu, Dawson's financial adviser.

The directors will be writing to shareholders on Monday advising them not to sell their shares nor to take any action in regard to the Baird offers. They will also indicate their intention to increase Dawson dividends substantially.

Mr. Alan Smith, Dawson's chairman, said no decision has been taken on the size of the dividend increase and it is unlikely that a figure will be available for at least 10 days.

The rejection came as no surprise to Mr. Stanley Field, Baird's chairman. "I have no idea what they mean by the phrase no commercial benefit to Dawson but I found nothing unusual in the reasons for rejection," he said.

Trading in both Dawson and Baird shares resumed yesterday with Baird opening at 180p, down 8p on its pre-suspension price. Dawson closed at 193p, a rise of 37p on the day.

John Haggas, a Yorkshire-based worsted yarn spinner, which had reached agreement with Dawson on a proposed merger prior to the Baird bid opened at the pre-suspension price of 135p and rose to 147p.

The Office of Fair Trading is examining the Baird bid and the results of its investigations will be announced in three to four weeks.

British Land bids £4.2m for Kingsmere

British Land is to acquire Kingsmere Investment Company which owns the Langham Estate in London for £4.2m, Mr. John Ritblat, chairman of British Land, announced yesterday at the AGM. He also said that the company would become profitable on a monthly basis during the course of this financial year.

The Langham Estate comprises 174 wholly freehold properties extending over 15 acres in the centre of London. The acquisition will be paid for through the issue of 5,441,176 ordinary shares, £1m cash on completion and £1.35m in either cash or shares at least 12 months after completion.

Mr. Ritblat said yesterday the revenue account of British Land is "improving daily." He said it was difficult to forecast whether the company would declare a profit for the financial year as a whole, but it would become profitable during the course of the year.

Mr. Ritblat said he was not anxious to hurry along with property disposals, believing that it would be prejudicial to the company. But he noted that some property had recently been sold in California for $4½m. He indicated that some of the short term debt might be lengthened in a year or two's time when conditions might be right for the issue of a debenture.

Talbex shows interest in Hoskins & Horton

Talbex, the soap to hairdressers group in which Arab interests hold a significant stake, is poised to bid for Birmingham-based contractor **Hoskins and Horton**.

The Hoskins and Horton board said yesterday they had received "an unsolicited approach" from Talbex "who wish to enter into formal negotiations with a view to making an offer." The news pushed H and H shares 17p higher to 180p.

Last night Talbex directors were not available for comment but a spokesman for the company confirmed that a letter had been sent to the Hoskins board.

Discussions, he said had not begun. Talbex, however, apparently feels its Middle East connections could be useful in promoting H and H's hospital beds and equipment overseas.

Links are close between Talbex and the Bahamas-based merchant bank Artoc Holdings, which in turn has strong Middle East ties. Artoc also has a 29 per cent stake in Hoskins and Horton.

Artoc meanwhile now has roughly 22 per cent of the Talbex equity following a deal between the two companies in July.

On that occasion Talbex acquired from Artoc the Skelton group of engineering companies for a total consideration of £927,000, including 2.25m new shares.

Yesterday Hoskins and Horton said it was too early to comment though the company is considering its position.

Shareholders will be kept informed though in the meantime they are urged to take no action in respect of their shareholdings.

BROOKE BOND PAYS £1M FOR SULMAC

The **Brooke Bond Liebig Group** is on the point of acquiring a Kenyan business which exports flowers and vegetables to Europe.

The company is Sulmac, which produces and exports ferns, flowers, chrysanthemum cuttings, sisal and vegetables. Brooke Bond-Liebig (Kenya) will pay 15m Kenya Shillings (£1m) for 75 per cent of its equity and will provide 27m Shillings (£1.8m) of loan capital.

BBL will also pay £100,000 for 75 per cent of a new company formed to acquire the name, trade and assets of DCK Nurseries, which markets Sulmac's produce in Europe. The outstanding stakes in this company and in Sulmac will be split between the Kenya nationals who at present own the entire equity of the two companies.

BBL declined to give sales and profits forecast for the Sulmac operation but the company believes it will offer a high return on capital.

ROTHMANS INTL.

Further to **Rothmans International** announcement on September 19, the completion of the acquisition by Martin Brinkmann of the Canadian interests of Rupert Group, has duly taken place.

Approach to Bambergers

BAMBERGERS, the timber group, has received an approach from an unnamed public company which could lead to an offer for the group. Yesterday's announcement sent Bambergers' shares soaring to 85p, a 30p gain on the day, giving the group a stock market value of £8.2m.

The group's chairman, Mr. Cecil Woodburn-Bamberger met the chairman of the unnamed company on Monday. A brief statement issued yesterday by Bambergers said that "an approach has been received which may or may not lead to an offer." A further announcement is hoped to be made before the end of next week if the offer proves acceptable to the Bamberger group.

In the market, stockbrokers were speculating that the unnamed company could be Montague L. Meyer, the largest of the UK timber groups, or if not a timber group conglomerate such as Thomas Tilling.

The split of Bambergers business is between the importing and distribution of softwood, hardwood and panel products and a steadily growing building materials side where it has a well developed merchanting network.

In its last financial year ending March 31, 1978 the group showed taxable profits of £1.38m compared with £1.88m on turnover of £38.6m against £39.5m. The balance sheet showed net assets per share of 93.9p. There were net borrowings of £1.19m and acceptance credits of £1.5m.

Significant shareholders with interests over 5 per cent were ITC Pension Trust who jointly with ITC Pension Investments held 6.9 per cent; Royal London Mutual Insurance Society, 5.8 per cent; and the Pearl Assurance Company, 5.02 per cent.

جولة صحف الأثنين

SUMMARY OF THE WEEK'S COMPANY NEWS

ake-over bids and mergers

William Baird, the textiles and industrial group, has made £31m. shares and cash bid for Dawson International. Baird, ich already holds 28.3 per cent of the ordinary and 35 per nt of the "A" shares is offering two of its shares plus 240p for ery three Dawson shares. The bid was precipitated by an nouncement earlier this week that the boards of Dawson and hn Haggas were discussing plans for a merger.

Raybeck, the women's and menswear retailers and manu-turers, has made a £11.3m cash bid for Bourne and Hollings-rth, the Oxford Street, London, store group. Several major itors are known to have approached B and H but Raybeck's er proved the most attractive to the Bourne family which s agreed to accept the 235p a share bid in respect of its 59 per nt shareholding. Mr. A. Simons, deputy chairman of Raybeck, d that the deal would make the group the largest trader in e West End.

The minority shareholders of Pearson Longman last week icked S. Pearson's £38m bid to acquire the 36 per cent of the ares it does not already own. Pearson had needed to win per cent of the votes cast at Tuesday's extraordinary meeting proceed with the offer. In the event, almost a third of the .98m shares voting were against the offer.

Rockware, which just over four months ago was ordered by e Monopolies Commission not to proceed with its offer for dfearn National Glass has agreed terms for the takeover of lda Packaging for £4.6m. Rockware's offer comprises 145p each Alida share with an equivalent loan stock alternative. ayton Montagu Portfolio Management, which controls nearly per cent of the Alida capital, has pledged its acceptance. rectors of Alida have accepted in respect of a further 5.4 per nt and recommend other shareholders to follow suit.

Grand Metropolitan Hotels hopes to co-operate with the voy Hotel Group in marketing and buying. This follows a al whereby Grand Metropolitan is paying £5m for the 23 per nt stake in Savoy formerly held by Trafalgar House.

Davy International has reached agreement on a large pansion of its U.S. interests through the $110m (£55.5m) purchase of McKee Corpn. of Cleveland, Ohio. Davy is making a tender offer of $33 per share.

A bid may well be in the offing for Randalls following news that the company is involved in bid talks with Ferguson Industrial.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid (£m's)**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Alida Packaging	145*	145¶¶	108	4.63	Rockware Grp.	—
Bonser Eng.	45*	43	36	2.70	Kaye Organ.	—
Bourne & Hollingsworth	235*	232¶¶	317	11.28	Raybeck	—
Compton Sons & Webb	61§§	65	43	10.44	Carrington Viyella	—
Compton Sons & Webb	70*	65	59	11.92	Courtaulds	—
Cornercroft	65*	65	56	1.62	Armstrong Equipment	—
Crossley Building Products	105*	104	64	7.07	Bowater	—
Customagic	21	17	19½	1.10	Mooloya Invs.	—
Dawson Intnl.	200§§	193¶¶	156	34.5	Wm. Baird	—
Eastwood (J. B.)	132*	158	90	31.53	Cargill	—
Fluidrive Eng.	87½	91	92	6.03	Assocd. Eng.	—
Glanfield Secs.	375	360	305	7.73	Legal & Genl.	—
Lyons (J.)	148	148¶¶	97	60.88	Allied Brews.	—
Midland Educational	150*	187	120	2.10	Pentos	—
Mowat (W.)	22½*	42½	27	0.225	Jeath	—
Orme Devpts.	58§§	57	48	10.29	Comben Grp.	29/9
Tridant Group Printers	85*	84	55	3.72	Starwest Inv.	—
Wades Deptmt. Stores	102½*	100	63	2.11	Assoc. Dairies	—
Wades Deptmt. Stores N/V A	98*	96	60	3.56	Assoc. Dairies	—
Weston-Evans	124½*	165	110	8.4	B'ham & Midland Counties Tst.	—
Weston-Evans	164½	165	133	8.83	Johnson and Firth Brown	29/9

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. ‖ Date on which scheme is expected to become operative. ** Based on 21/9/78. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Based on 22/9/78.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Aberfoyle	July 31	255	(70)L	5.1	(—)	Nil	(Nil)
Burns-Anderson	June 30	621	(433)	11.2	(7.0)	1.619	(1.45)
Charnos	Dec. 31	607	(227)	17.6	(8.2)	1.056	(1.056)
Cnty. & Dist. Prop.	Mar. 31	526	(290)	5.3	(2.8)	0.878	(0.792)
Dowding & Mills	June 30	1,739	(1,430)	3.3	(2.8)	1.2	(1.075)
Ferry Pickering	June 30	956	(786)	10.7	(8.7)	2.843	(2.546)
Hoyle (J.)	Mar. 31	59	(44)L	6.7	(—)	Nil	(Nil)
Jentique Hldgs.	June 30	424	(556)	3.2	(3.9)	2.209	(1.975)
Lister	Mar. 31	1,426	(480)L	—	(—)	1.0	(0.1)
Metal Products	Mar. 31	124	(95)	3.6	(2.7)	Nil	(Nil)
MFI	May 27	5,340	(1,860)	23.6	(7.8)	2.196	(1.968)
Nolton	Apr. 30	121	(12)L	4.6	(—)	2.0	(2.0)
Reabrook	May 5	60	(29)	1.6	(1.1)	1.232	(1.045)
Ricardo Engrs.	June 30	943	(641)	30.6	(13.3)	2.919	(2.614)
Scholes (G. H.)	June 30	2,034	(1,865)	29.0	(24.0)	18.52	(16.586)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Appleyard	June 30	1,310	(951)	2.25	(1.625)
Bentalls	July 29	1,122	(605)	0.3	(Nil)
Bk. of Scotland	Aug. 31	13,339	(13,960)	6.165	(5.445)
Bemrose Corp.	July 1	1,254	(1,159)	2.137	(1.914)
Bodycote Intl.	June 30	831	(957)	1.455	(1.303)
Brent Chemicals	June 30	1,250	(1,130)	0.967	(0.826)
Brixton Estate	June 30	1,120	(1,170)	1.393	(1.248)
Brwn. Boveri Kent	June 24	3,560	(2,930)	1.0	(0.76)
Camrex	June 30	31	(1,244)	1.64	(1.64)
City Hotels	July 2	614	(430)	1.32	(1.056)
Copydex	June 30	112	(81)	0.75	(0.7)
Davenport Knitwr.	June 30	207	(280)	—	(—)
Delta Metal	June 30	14,720	(13,410)	1.82	(1.82)
Dickinson Robnsn.	June 30	9,670	(12,550)	2.808	(2.552)
Dickie (James)	Apr. 30	193	(211)	2.438	(2.185)
Energy Services	June 30	506	(461)	0.2	(0.1)
European Ferries	June 30	8,500	(7,050)	1.1	(1.0)
Expanded Metal	June 30	950	(1,240)	1.75	(1.625)
Federated Land	June 30	420	(415)	0.8	(0.75)
Garton Engrg.	June 30	467	(502)	3.0	(2.7)
Gibbons (Stanley)	June 30	941	(798)	1.65	(1.5)
Gresham Hse. Est.	June 30	211	(98)	1.4	(1.4)
Hall Engrg.	June 30	2,250	(1,800)	2.471	(2.213)
Hamilborne	June 30	10	(104)	0.5	(0.5)
Harris & Sheldon	June 30	1,380	(1,270)	1.578	(1.413)
Hestair	July 31	423	(1,800)	2.358	(2.112)
Hoskins & Horton	June 30	317	(372)	1.689	(1.513)
J. B. Holdings	June 30	957	(928)	0.5	(1.0)
Kleinwort Benson	June 30	—†	(—)†	1.837†	(1.65)
Laporte Inds.	July 2	4,716	(7,026)	3.022	(2.706)
Law Land	June 30	237	(358)	0.5	(0.5)
Leadenhall String.	June 30	404	(293)	2.0‡	(1.56)
Leyland Paint	June 30	1,150	(825)	2.0	(1.0)
London Pavilion	June 30	19	(8)	—	(—)
Low & Bonar	May 31	4,066	(3,249)	4.0	(3.5)
Mtthws. (Bernard)	July 16	994	(1,012)	4.5	(4.0)
Mackay (H.)	June 30	218	(197)	1.4	(1.4)
Marshall (Loxley)	June 30	369	(409)	1.2	(1.1)
Menzies (John)	July 29	1,150	(858)	1.29§	(1.164)
Minty	July 29	94	(44)	1.65	(1.5)
Molins	June 30	5,100	(2,800)	2.2	(2.0)
Perry Motors	June 30	2,190	(1,490)	1.675	(1.285)
Plantations	June 30	1,279	(2,523)	0.402	(—)
Ransomes Sims	July 1	1,270	(1,020)	3.09¶	(2.5)
Rolls-Royce	June 17	5,412	(3,716)	2.24	(1.84)
Rowan & Boden	June 30	251	(202)	0.6	(0.55)
Rowntree Mcktsh.	June 17	12,510	(12,000)	4.5	(2.75)
Simon Engrg.	June 30	6,310	(5,440)	3.0	(2.7)
Spear & Jackson	July 1	882	(1,020)	3.575	(3.575)
Stag Furniture	July 1	1,040	(785)	2.3	(2.0)
Stone Platt Inds.	June 30	4,310	(6,040)	2.725	(2.284)
Sumner (Francis)	June 30	405	(537)	0.5	(0.45)
Sykes (Henry)	June 28	1,012	(1,124)	1.5	(0.55)
Tilbury Cntrctng.	June 30	959	(892)	6.0	(6.0)
United Glass	June 17	6,010	(4,560)	—	(—)
Utd. Newspapers	June 30	3,651	(2,853)	6.5††	(6.0)
Wadham Stringer	June 30	2,500	(1,510)	1.1	(0.99)
Wadkin	June 30	1,010	(805)	2.25	(1.875)
Wilkes (J.)	June 30	256	(230)	1.5	(1.385)
Wiknsn. Warbrtn.	June 30	419	(165)	1.76	(1.6)
Winn Inds.	June 30	646	(524)	1.34	(1.188)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † Half-time figures not reported. Dividend includes 0.037p due to change in tax rate. ‡ Includes 0.037p due to change in tax rate. § Includes 0.015p due to change in tax rate. ¶ Includes 0.09p due to change in tax rate. †† Includes 0.123p due to change in tax rate. L Loss.

Offers for sale, placings and introductions

Bristol Waterworks: Offer for sale of £5m 7 per cent redeemable preference shares 1983 at £97.50 per cent.
International Thomson: Listing of common and convertible shares.

PPOINTMENTS

ICL senior executive posts

Two deputy managing directors d a new director of worldwide arketing group have been pointed by ICL from October 1. Mr. Peter Ellis is to be deputy anaging director responsible personnel, product planning, siness planning and corporate ogrammes. Mr. Murray Stuart ll be deputy managing director charge of finance, administra-n, legal and patents and rporation information systems. . Leslie Cole takes over as ector, worldwide marketing oup, reporting to Dr. ristopher Wilson, managing ector, in succession to Mr. Ellis. so from the beginning of tober, Mr. Tom Griffin, director control of the consumer gineering division will report Mr. Cole.

★

Mr. Henry James, who is linquishing his position as rector general of the Central fice of Information, has been pointed public relations viser to the main Board of CKERS from December 1. Mr. mes has been in the Civil rvice for the past 40 years, his rious posts including that of ess Secretary to successive ime Ministers.

★

Mr. R. I. Sloan, an executive rector of Commercial Union surance, has been elected esident of the CHARTERED SURANCE INSTITUTE for 78-9. Mr. R. K. Bishop, deputy chief general manager of Phoenix Assurance, has become deputy president of the institute.

★

The Secretary for Employment has appointed Mr. Terry O'Neill, national president of the Bakers, Food and Allied Workers Union, as an employee member of the FOOD DRINK AND TOBACCO INDUSTRY TRAINING BOARD. He fills the vacancy created by the resignation of Mr. Chris Child.

★

Mr. J. C. Mason, group financial controller PARKER KNOLL, has been appointed to the board.

★

Mr. Norman Pirrie has joined the Board of SIR ROBERT MCALPINE AND SONS. He at present heads the project development team.

★

GLYNWED SCREWS AND FASTENINGS has appointed six new directors of subsidiary companies. They are Mr. A. J. Bagshawe (marketing); Mr. James H. Smith; Mr. R. C. Whitehouse (marketing) Wask Engineering; Mr. R. J. Perry (manufacturing); Mr. J. M. Ager (engineering); Mr. P. N. Cook (commercial), Cooper and Turner, and Mr. D. J. Smart (financial), Yarwood Ingram and Company.

★

Mr. James Russell will relinquish his appointment as international business consultant to the BANK OF SCOTLAND from September 30.

★

Mr. A. E. Roberts has been appointed managing director of TEXTILE BONDING, which is jointly owned by Carrington Viyella and Tootal. Mr. Roberts, until recently managing director of Bernard Wardle (Everflex), takes over from Mr. A. J. Chapman, the managing director of Textile Bonding since its formation in 1963, who is retiring.

★

Mr. Alan Bartleman has been appointed managing director of the EUROPEAN PRINTING CORPORATION, Dublin. He was previously assistant managing director with Thomson Regional Newspapers.

★

Mr. George Wells has been appointed financial controller of the recently formed process engineering division of WGI.

★

Mr. Bill Hillier has been appointed technical director of RACAL-REDAC. He was previously production director.

★

Mr. R. A. Hitchcock has been appointed managing director designate of NCB (ANCILLARIES) and takes over from Mr. G. B. Jackson, who is retiring on October 1. The company is responsible for all the non-mining companies, wholly or partly owned by the National Coal Board.

Confident outlook at Neepsend

WITH IMPROVED results expected in all divisions, Mr. S. L. Speight, chairman of Neepsend, the steel and engineering group, tells shareholders in his annual statement that he views the coming year with some confidence.

A very profitable year is anticipated on the tools and engineering side of the business which should benefit from increased trading and improved production facilities, he says.

Substantial growth is planned in the marketing of tools and in particular do-it-yourself tooling, while the magnetic drills and cutters of Rotabroach will show a considerable increase in sales both at home and overseas.

The steel market is showing no sign of improvement and without Government intervention, Mr. Speight cannot conceive any upturn in UK demand. But the actions directors are taking in the steel division coupled with the increased requiremtns for its finished engineering products should ensure a better result from both steel and castings.

Group pre-tax profit fell marginally from £1.04m to £1.03m for the year to March 31, 1978. The dividend total, however, is raised from 2.93125p to 3.2244p a 25p share, the maximum permitted.

Expressing disappointment that increased requirements for its virtually unchanged pre-tax profit, Mr. Speight now says that the group not only experienced a continuation of the world recession in steel but had the added complication in the UK of severe dumping.

In the castings division, which also suffered from the general recession in the industry, production facilities are being developed and rationalised with confident results expected.

All other group activities have progressed in line with expectations and indeed had it not been for the reduced margins in many of the steel activities the group would have produced the sort of results which the increased level of turnover warranted, Mr. Speight adds.

Overseas sales have recovered from the previous year's fall and while U.S. sales are still severely restricted, sales to other overseas markets have increased.

Neepsend (Canada), is now bringing increased business to Sheffield and in the coming year will be a profitable contributor, while the associated company there, Tunbridge Cutting Tools, had another profitable year with substantially increased sales continuing into the current year.

More Cintride products are being introduced into this market through a new company based in Tunbridge and a strongly developed market for all group products there is expected.

In Europe sales have been maintained despite the recession in most markets. While the German company found difficulty in increasing sales of Futurmill units due to the cutback in capital spending there, two substantial contracts have been obtained since the year-end and the company should trade profitably this year.

Elsewhere efforts have continued to expand overseas sales. Many new trading arrangements have been established which the chairman is sure will result in a further increase this year in export sales.

A valuation of group properties has resulted in a surplus of £1.8m which has been written into the balance-sheet as at March 31 this year.

Meeting, Sheffield, October 19 at 12.15 pm.

WORLD STOCK MARKETS

Further small gain on Wall St.

INVESTMENT DOLLAR PREMIUM

$2.60 to £1—88% (88¼%)

Effective $1.9715 42¼% (43¼%)

STOCKS ON Wall Street moved erratically yesterday in quieter trading, before managing another small token gain on the day on further bargain hunting after more credit tightening moves were digested by an apparently over-sold market.

The Dow Jones Industrial Average touched extremes of 855.42 and 868.16, before closing 1.30 firmer on the day at 862.44 but down 16.11 on the week. The NYSE All Common Index, after moving between $57.24 and $57.54, closed at $57.37, up a cent on balance although off $1.44 on the week. Rises finally outscored declines by 789 to 649, while turnover contracted to 27.96m shares from Thursday's level of 33.64m.

Late in the session, the Commerce Department reported that U.S. August durable goods orders rose 7.6 per cent after a 5.3 per cent fall in July. However, analysts noted that the rise came largely from a jump in aircraft orders and not a general strengthening of the economy.

Kennecott Copper slipped ⅜ to $27½ and was the second most active issue. On Thursday, **Standard Oil (Indiana)** said it is evaluating some form of association with Kennecott. The latter lost 1¼ to $51⅞.

Ramada Inns, the volume leader, gained $1 to $13⅞, while **Del E. Webb**, which has agreed to by a casino in Nevada, rose 1¼ to $27⅜.

Braniff forecast higher earnings and ordered 11 new jet planes from **Boeing** and also took options on 11 more. **Braniff** edged up ⅛ to $16½, but **Boeing** shed $1 to $64½.

Eery Air Freight declined 1⅝ to $23½. The company said a planned new express service will adversely affect third-quarter profits.

THE AMERICAN SE Market Value Index regained 0.80 more to 167.28, but was still down 6.73 on the week. Volume 4.53m shares (4.95m).

Sundance Oil climbed 2¼ to $20¼ before a trading halt. It is to make a statement on Monday.

Canada

Shares were in much firmer mood yesterday in active trading, with the Toronto Composite Index advancing 6.0 to 1,259.3. Oils and Gas rose 18.5 more to 1,677.4, while Metals and Minerals gained 12.0 to 1,074.9, Golds 15.4 to 1,655.7 and Utilities 0.24 to 189.61.

Pacific Petroleum rose 2½ to C$39⅞, **Husky Oil** 1¼ to C$44¼, **IAC** 1½ to C$20⅞, **Imasco "A"** C$1 to C$37, **Gulf Oil Canada** ¾ to C$33½ and **Massey-Ferguson** ⅜ to C$13¼.

PARIS — Market displayed marked buoyancy in brisk trading, with the Bourse Industrial index rising 1.3 to a peak for the year of 77.1.

Buying by international investors was largely responsible; although the fact that Friday was the first day of the new monthly Account and that investors were using their one-month credit to the full, was also cited. Additionally, brokers pointed to the lowering of the Call Money rate by ¼ to 7 per cent and the overnight closing rally on Wall Street.

The star performer was the water utility **Generale des Eaux**, which moved ahead 16 per cent. Only in Metals, still affected by the Government's recently announced intention to take effective control of the steel industry, did selling predominate.

TOKYO—Market presented a firm appearance in moderate dealings, the Nikkei-Dow Jones Average improving 13.65 to 5,637.16. Volume 200m shares (170m).

Pharmaceuticals moved broadly higher, while Machines, small-sized Steels, Public Works, Foods, Chemicals and Industrial Plants were also favoured.

High-priced Light Electricals, however, were sold, reflecting the dollar's decline against the yen, although a broker said news that the U.S. Treasury is preparing rules for dumping duties on Japanese colour television products did not have a strong impact on the market. **Sony** receded Y20 to Y1,500, **TDK Electronics** Y10 to Y2,100, and **Mitsumi Electric** Y8 to Y594.

GERMANY—Stock prices rebounded in lively trading, recouping the gains lost on profit-taking earlier in the week. The Commerzbank index rose 8.2 to 836.0, close to its 1978 high of 839.3 reached on September 11.

Brokers attributed the gain to a calmer foreign exchange market.

Stores led the advance, with **Neckermann** adding DM 6 and **Horten** DM 3. Elsewhere, **Harpener** rose DM 5.50 and **MAN** DM 5.

Public Authority Bonds recorded fresh gains to 25 pfennigs, while the Bundesbank sold DM 50m of stock.

AUSTRALIA — Stocks were firmer for choice, with **BHP** continuing to feature strongly its new Bass Strait oil discovery and closing 12 cents higher at A$8.92, after reaching A$9.10.

Weeks Petroleum, which is entitled to 2.5 per cent royalties on all oil taken out of the Bass Strait, advanced 20 cents to A$2.30. **Santos** added 7 cents at A$1.77 and **Bridge Oil** 10 cents at A$1.35.

Diamond speculatives attracted renewed interest, **CRA** rising 7 cents to A$3.79 and **Northern Mining** 15 cents to A$1.80.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Ramada Inns	777,500	13⅞	+1
Kennecott Copper	362,500	27½	−⅜
Pan Am Airways	325,500	8⅝	—
Bally Mfg.	320,600	50⅛	−1
Caesars World	320,400	46⅛	+⅛
Ashland Oil	301,700	44⅛	−⅜
Amer. Tel. & Tel.	266,700	60⅞	−⅛
Warner-Lambert	257,700	27⅛	+¼
General Electric	247,100	52⅛	−⅛
Boeing	233,600	64½	−1½

Indices

NEW YORK—DOW JONES

	Sept. 22	Sept. 21	Sept. 20	Sept. 19	Sept. 18	Sept. 15	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	862.44	861.14	857.16	861.57	870.15	878.55	907.74 [illegible]	742.12 (28/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds*	89.06	89.15	88.35	89.56	89.50	89.54	90.65 (4/1)	86.75 (11/7)	—	—
Transport	241.58	242.01	245.15	245.36	247.05	250.75	251.43 [illegible]	199.31 [illegible]	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	105.72	105.99	105.85	105.92	106.59	106.43	110.98 (3/1)	102.84 (30/2)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's	27,960	33,640	35,220	31,660	35,850	37,290	—	—	—	—

* Basis of Index changed from August 24

	Sept. 15	Sept. 8	Sept. 1	(Year ago approx)
Ind. div. yield %	5.39	5.21	5.38	5.25

STANDARD AND POORS

	Sept. 22	Sept. 21	Sept. 20	Sept. 19	Sept. 18	Sept. 15	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	112.81	112.86	112.65	113.56	114.39	115.55	118.71 [illegible]	96.52 (6/3)	134.64 (11/1/73)	3.52 (30/6/32)
Composite	101.84	101.90	101.76	102.53	103.21	104.12	106.99 [illegible]	86.90 (6/3)	125.85 (11/1/73)	4.40 (1/6/32)

	Sept. 20	Sept. 13	Sept. 6	Year ago (approx.)
Ind div. yield %	4.85	4.65	4.67	4.67
Ind. P/E Ratio	9.43	9.88	10.08	9.40
Long Gov. Bond yield	8.47	8.35	8.37	7.62

N.Y.S.E. ALL COMMON

Sept. 22	Sept. 21	Sept. 20	Sept. 19	1978 High	1978 Low
57.75	57.56	57.52	57.84	60.68 (11/9)	48.37 (6/3)

Rises and Falls

	Sept. 22	Sept. 21	Sept. 20
Issues traded	1,872	1,874	1,888
Rises	789	610	352
Falls	649	890	1,158
Unchanged	434	374	378
New Highs	—	—	11
New Lows	—	—	14

MONTREAL	Sept. 22	Sept. 21	Sept. 20	Sept. 19	1978 High	1978 Low
Industrial	208.24	204.73	205.93	205.86	211.66 (11/9)	162.50 [illegible]
Combined	213.03	211.96	211.54	211.95	217.71 (11/9)	170.82 (30/1)
TORONTO Composite	1259.3	1253.3	1250.7	1260.6	1288.9 (13/9)	998.2 [illegible]
JOHANNESBURG Gold	260.1	261.5	256.8	256.8	272.0 (14/7)	188.0 [illegible]
JOHANNESBURG Industrial	268.5	269.2	270.2	271.0	271.1 (15/9)	194.3 [illegible]

	Sept. 22	Pre-vious	1978 High	1978 Low
Australia (¶)	566.79	564.71	566.79 (22/9)	441.19 (1/3)
Belgium (‖)	99.86	99.88	101.16 (6/6)	90.43 (23/2)
Denmark (**)	95.37	95.34	98.86 (14/4)	94.00 (6/2)
France (††)	77.1	75.8	77.1 (22/9)	47.6 (3/2)
Germany (‡‡)	836.0	829.8	839.3 (11/9)	769.4 (17/5)
Holland (§§)	90.1	89.1	95.1 (11/8)	79.0 (4/4)
Hong Kong (¶¶)	610.17	628.21	707.70 [illegible]	383.44 (13/1)
Italy (‖‖)	82.08	81.05	82.27 (20/9)	60.40 (10/1)
Japan (a)	426.30	424.96	428.81 (18/9)	364.04 (4/10)
Singapore (b)	379.40	382.74	414.60 (8/8)	262.0 [illegible]

	Sept. 22	Pre-vious	1978 High	1978 Low
Spain (d)	99.63	99.62	110.10 (9/6)	91.83 (17/3)
Sweden (e)	389.71	389.01	408.08 (4/8)	325.74 [illegible]
Switzerl'd (f)	276.4	275.3	323.7 (14/2)	275.3 [illegible]

Indices and base dates (all base values 100 except NYSE All Common — 50 Standards and Poors — 10 and Toronto 300—1,000, the last named based on 1975) † Excluding bonds. ‡ 400 Industrials § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary ‖ Belgian SE 31/12/63. ** Copenhagen 1/1/73 †† Paris Bourse 1961 ‡‡ Commerzbank Dec., 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 30/12/77. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. u Unavailable.

SPAIN ♥

Sept. 22	Per cent.	
Asland	127	—
Banco Bilbao	300	—
Banco Atlantico (1,000)	235	—
Banco Central	310	—
Banco Exterior	271	—
Banco General	276	—
Banco Granada (1,000)	148	—
Banco Hispano	256	—
Banco Ind. Cat. (1,000)	187	+2
B. Ind. Mediterraneo	200	—
Banco Popular	256	+4
Banco Santander (250)	345	—
Banco Urquijo (1,000)	264	—
Banco Vizcaya	253	+4
Banco Zaragozano	277	—
Bankunion	150	—
Banus Andalucia	193	—
Babcock Wilcox	29	—
CIC	82	—
Dragados	278	+1
Inmobanif	72	+2
E. I. Aragonesas	50.25	—
Espanola Zinc	101	—
Expl. Rio Tinto	70	+3
Fecsa (1,000)	66.25	+0.25
Fenosa (1,000)	64.50	—
Gal. Preciados	75	—
Grupo Velazquez (400)	165	—
Hidrola	75	−0.75
Iberduero	83	−0.75
Olarra	100	−5
Papeleras Reunidas	50	+2
Petroliber	124	+3
Petroleos	198	+1
Sarrio Papalera	39	+4
Snlace	47	+1
Sogefisa	127	—
Telefonica	79.25	+0.25
Torras Hostench	65	—
Tubacex	86	+2
Union Elec.	69	−1

BRAZIL

Sept. 22	Price Cruz	+ or —	Cruz Div.	Yld. %
Acesita	0.96	+0.01	0.12	12.50
Banco do Brazil	1.73	−0.05	0.16	9.24
Banco Itau PN	1.42	+0.01	0.37	26.05
Belgo Mineira OP	1.14	+0.02	0.08	7.01
Lojas Amer. OP	3.55	+0.02	0.20	5.63
Petrobras PP	2.35		0.13	5.53
Pirelli OP	1.48	−0.01	0.16	10.81
Souza Cruz OP	2.67	+0.02	0.22	8.23
Unip PB	5.92	+0.12	0.25	4.22
Vale Rio Doce PP	1.14	+0.01	0.18	15.78

Turnover Cr.87.2m. Volume 50.7m
Source: Rio de Janeiro SE.

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.
◆ DM50 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. Φ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

NEW YORK · CANADA · GERMANY ◆ · PARIS · AUSTRALIA · TOKYO ¶ · BRUSSELS/LUXEMBOURG · STOCKHOLM · COPENHAGEN ♣ · SWITZERLAND ◆ · MILAN · VIENNA · JOHANNESBURG · AMSTERDAM · OSLO

Source Nikko Securities, Tokyo

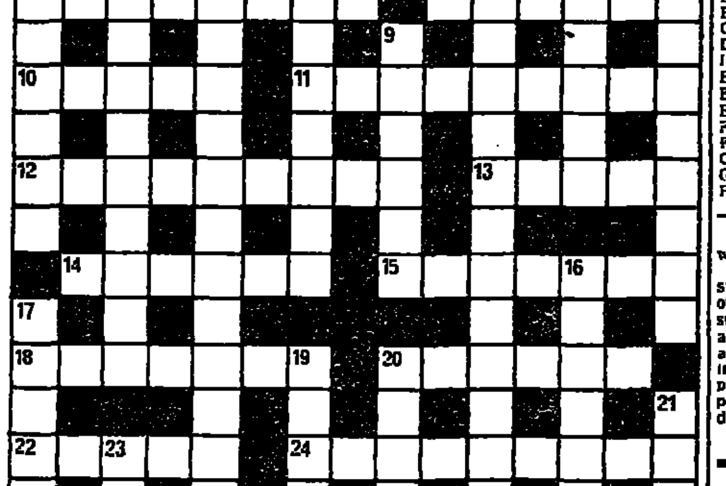
Securities Rand U.S.$0.76
(Discount of 33.9%)

F.T. CROSSWORD PUZZLE No. 3,778

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



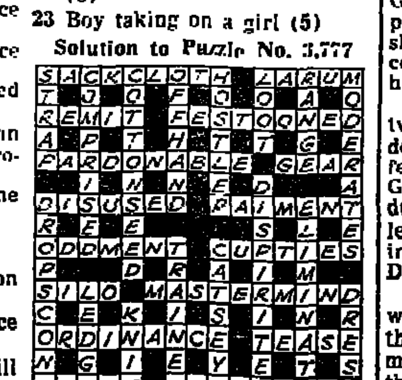
ACROSS

1 Like to tie up a poet (8)
5 To amend call is a bloomer (6)
10 Scotsman takes in bill for wine (5)
11 String of animals replacing donkey engine (4, 5)
12 Capital people at Lords none can change (9)
13 Vital part of male skill (5)
14 County opener unwilling to point to dress (6)
15 Heavy drinker in cast takes drug (7)
18 Player seen in a third-rate extract from Hair (7)
20 Like clear night sky in south to linger (6)
22 Moslem in off-duty attire (5)
24 Northern resort could brace me and the M.O. (9)
25 Not generally taking chance with one friend (9)
26 Study central heating offered by Shell (5)
27 Tin whistle and Norwegian guitar seem initially to produce nasal sounds (6)
28 Firm boss needs to club one of the workers (4, 4)

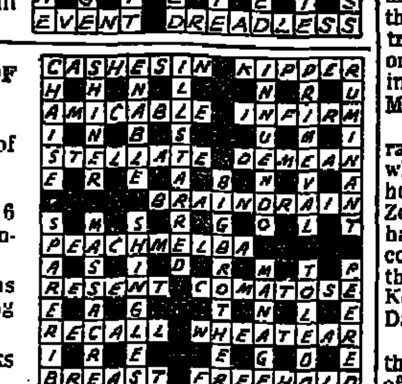
DOWN

1 Hit cathedral in feeble fashion (6)
2 Virginia is unable to chance having site unused (6, 3)
3 Glebe in which one is still existing (4, 2, 3, 6)
4 Show MC how to take care of member before ... (7)
6 ... wrestling with advice for slip fielders (5, 2, 5, 3)
7 Beast left twice by a master (5)
8 Girl takes nothing to gallery to make notes (8)
9 Small room required near West-end (6)
16 Pay Marion to go in for fire-raising (9)
17 Little monkey brings ruin to doctor joining party (8)
19 Just remedy (6)
20 Pest control operator's entreaty (7)
21 Engaged me before take off (6)
23 Boy taking on a girl (5)

Solution to Puzzle No. 3,777



SOLUTION AND WINNERS OF PUZZLE No. 3,772



Following are the winners of last Saturday's prize puzzle:

Mr. L. J. B. Callander, 6 Manorgate Road, Kingston-upon-Thames, Surrey KT2 7AL.

Mrs. M. Muckley, 50a Colemans Moor Lane, Woodley, Reading RG5 4BT.

Mrs. T. Wiltshire, 179 Monks Walk, Buntingford, Herts.

RACING **BY DOMINIC WIGAN**

Deauville points to Young Generation

YOUNG GENERATION from Guy Harwood's Pulborough stable, recently reinforced with some well-bred American yearlings, can give the reputation of France's possibly-maligned two-year-olds a boost today.

The Balidar colt, so impressive when putting three lengths between himself and Sanders Lad in the closing stages of Goodwood's Richmond Stakes, goes for Newbury's Mill Reef Stakes. Although only seven oppose Young Generation in this Group 2 event, the Newmarket pair Main Reef and Hardgreen should ensure that the Sussex colt does not have matters all his own way.

In the belief that France's two-year-old colt may be a great deal better than some believe, I feel that a reproduction of Young Generation's form when he went down by only one length and 1½ lengths to Irish River and Pitasia in last month's Prix Morny at Deauville will see him home.

In another intriguing race for which there are few runners—the Peter Hastings Stakes—it may pay backers to row in with that game William Hastings trained four-year-old Sailcloth, on whom Taffy Thomas rode an inspired race to land last season's Manchester Handicap.

The Shantung gelding, who ran disappointingly last time out when beaten a long way from home in Newmarket's New Zealand-Great Britain Handicap, had previously put up highly encouraging performances in both the Ultramar Jubilee Stakes at Kempton and Epsom's Northern Dancer Handicap.

If, as may have been the case, that lack-lustre Newmarket effort was the result of a lack of peak fitness after a long lay-off, Lord Porchester's course winner may prove up to winning off 8 st. 3 lbs. on this occasion.

Reg Hollinshead, whose Upper Longdon runners should never be ignored when they foray so far south, saddles bottom weight Pams Gleam, and this one provides the chief threat.

A second interesting representative from Sailcloth's yard is newcomer Pluvial, among the runners for the five-furlong Harwell Maiden Stakes. This speedily bred daughter of Pelting, for whom she is the final representative, numbers Splashing and Glinting among her half-sisters. Her sire Habat finally got off the mark when Kim's Habit, a daughter of Scamperdale, overcame a bad draw at Chepstow a few days ago.

Pluvial may go close from a favourable high draw, but I just doubt her having the experience to cope with either Sandford Boy or Duke Street. The last-named, a bay son of Song, is reported to have come on a great deal since finishing a respectable sixth of 18 at Windsor on his sole previous appearance back in May, and he is the selection.

NEWBURY

2.00—Hever
2.30—Young Generation**
3.00—Monkey Corners
3.30—Sailcloth***
4.00—Valeriga
4.30—Duke Street

AYR

1.30—First Class Mail
2.00—Tantanoola
2.30—Killer Shark
3.00—Stephandre
3.30—Green Park*
4.00—Ring Lady
4.30—Cherry Picking

صلة من الأصل

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Bekaert sees sharp increase in earnings

By Our Financial Staff

A SHARP increase in profits is forecast for this year by Bekaert, the Belgian company which is the largest producer in Europe of industrial wire.

A move out of heavy losses among "certain subsidiaries" has continued growth in demand for steel cord have combined to lift, dramatically, net profits for the first six months of 1978. These emerge at BFr 638m ($21m) compared to BFr 276m a year earlier.

The company's half-yearly report also suggests that this favourable trend can be maintained in the current six months of 1978. Earlier this year (in May) the company pointed out that "action was being taken" to update the products of the non-Belgian operations in Europe and in so doing improve profitability.

Group consolidated net profit for the whole of 1977 was BFr 575m. Parent company net profit for the first half of this year was BFr 376m compared to BFr 271m on a turnover of BFr 8.4bn, against BFr 8.1bn. Depreciation was BFr 535m (BFr 363m).

Bekaert points out that improved demand for some of its products only partly explains the first half improvement in parent company results. Tighter investment policies, higher productivity and a policy of "boosting products which suit international markets" also brought the company back to a normal level of profitability.

Further setback for Australian retail group

BY JAMES FORTH

SYDNEY, September 22.

RETAIL GROUP David Jones suffered a 38 per cent decline in profit from A$6.9m to A$4.3m in the year to July 29, which was barely sufficient to cover the maintained dividend of 8 cents a share.

The group has now reported lower earnings for the past three successive half years, with the downturn accelerating in the final half of 1977-78. The group earned only A$236,000 in the final six months, a fall of 81 per cent on the A$1.2m earned in the same previous period.

The setback in a further reflection of weak retailing trends. Waltons recently reported a second half loss of A$1m pulling its full year earnings down 69 per cent to A$2.5m.

The directors of David Jones point out that Australian sales rose 3.8 per cent from A$367m to A$381m. But an erosion of profit margins in difficult trading conditions combined with severe losses in Western Australia resulted in much lower profits from the local operations.

Earlier this month the board decided to close down the Western Australian division. The profit was also affected by a change in the basis of calculating annual leave accrual. The accrual was being progressively increased to cover all employee entitlements and resulted in an additional charge of A$950,000, or A$513,000 after tax, against the year's operations.

Sales of the American operations, principally Buffums, rose 13.4 per cent from US$85.7m to US$97.2m with a "very satisfactory" increase in profit.

The directors said that David Jones Finance contributed a "substantial increase" in profit, as did the company's investment in DJ's Properties. They added that a large proportion of relatively short-term borrowings had been renegotiated on a longer-term basis.

In contrast, major food and biscuit group, George Weston Foods lifted earnings 9.2 per cent, from A$4.3m to A$4.59m in the six months to July 31. The group is a listed offshoot of Associated British Foods of the UK.

The directors said that although increases in labour costs had steadied they still had a significant impact on the labour intensified industries of which the basic food industry formed part. Taking account of this factor and in view of the general economic and trading conditions the directors considered the results were encouraging.

The interim dividend is held at 3 cents a share but is paid on capital increased by a scrip issue. Adjusting for the issue, the latest result equalled earnings of 9.7 cents a share compared with 8.8 cents in the first half of 1976-77.

Elektrowatt reacts to currency advance

ZURICH, Sept. 22.

ELEKTROWATT AG, the Swiss engineering company, plans to rapidly expand its operations in lower-cost countries, including the U.S., because of the rising value of the Swiss Franc, board spokesman Herr Hans Bergmaier said.

In the fiscal year ended June 1978, Elektrowatt's revenues rose by SwFr 3m to SwFr 46.2m Net income rose by SwFr 1m to SwFr 19.9m.

Herr Bergmaier said that the results would have been much better but for the upward movement of the Swiss Franc against other currencies. He said that this rate movement had resulted in a loss in the holding company's reserves of about SwFr 40m and in foreign dividend returns of SwFr 1m.

He added that exporting units, fearing market losses, were forced into unsatisfactory price concessions and their cash flow had dropped by more than 10 per cent in calendar 1977.

Herr Bergmaier said that so far, contacts with China had not yielded results. But he added that he believed the company's engineering sector would have a chance in the near future

He said it was understood that Elektrowatt technology exporters would figure in discussions that an official Swiss trade mission is having in China.

AP-DJ

Carrier bid terms

Mr. Harry J. Grey, chairman and president of United Technologies Corporation said he is advising Carrier Corporation that United Technologies' September 19 invitation to negotiate a merger includes negotiation of the consideration to be received by Carrier shareholders in the merger, reports AP-DJ from Hartford.

Wienerwald U.S. deal

WIENERWALD GmbH has purchased the Lums restaurant chain the Lums restaurant chain of Miami from John Y. Brown, AP-DJ reports from Munich. It declined to name the price of the transaction. Wienerwald, a private concern, whose main interest is its chain of restaurants, said it had a turnover of DM725m ($362m) in 1977. Lums turnover in 1977 was DM200m.

Skandia forecasts higher profits and dividend

BY JOHN WALKER

STOCKHOLM, Sept. 22.

A FORECAST of substantially higher profits and dividends for 1978 together with proposals for an increase in capital were unveiled today by Skandia, the Swedish insurance company.

In its autumn report, the company makes it plain that operating profits will this year emerge at around SKr 425m ($96.5m) compared to SKr 172m in 1977. The upsurge is largely accounted for by a move out of the red by the insurance operations in Sweden which will contribute some SKr 135m to operating profits compared to a loss of SKr 47m a year ago.

Elsewhere, the international operations will return some SKr 90m while interest on capital account will put in about SKr 260m. During the year group premium income is expected to grow by 17 per cent to SKr 4.9bn, of which the international side will contribute just over half.

The increase in capital is proposed by the issue of 1m new shares at Skr 150 per share (thereby raising nominal capital from SKr 150m to SKr 200m), and shareholders can expect a dividend of SKr 6.5 a share compared to the payment of SKr 5 received in 1976-1977.

* * *

Talks are continuing in Oslo about the ways of raising the money needed to stave of bankruptcy for Norinvest, the troubled Norwegian finance company backed by a large number of Norwegian banks and insurance firms.

The solution now emerging seems to involve a heavier commitment than originally foreseen by Andresens Bank. The bank has a 10.5 per cent shareholding in Norinvest and is a major shareholder in an insurance company, Norsk Kausjan, which belongs to a pool of four insurance companies that have underwritten about Kr.320m worth of Norinvest debt.

Financial help from certain banks and insurance companies that are not Norinvest shareholders, but which are shareholders in other members of the pool, has apparently been made conditional on Norsk Kausjon (and thereby Andresens) taking a larger share of the pools' responsibilities.

Dunlop Malaysian plans

BY WONG SULONG

KUALA LUMPUR, Sept. 22.

DUNLOP Malaysian Industries has signed a letter of intent with the Kedah State Development Corporation for a joint venture to build a 28m Ringgit ($12m) tyre factory near the state capital of Alor Star. A Dunlop spokesman said negotiations on equity participation have yet to be finalised, but DMI would probably take a 30 per cent. stake in the project, while the majority shareholders would be Malays.

A 27-acre site has been selected and the plant is expected to be ready by the third quarter of next year. Initially, it would produce tyres for bicycles and motor cycles, but would move progressively to make a wide range of car tyres within two to three years. The factory would employ more than 400 workers. Most of the plant's products would be for the local Malaysian market.

● Kulim Berhad, the plantation group, reports a 33 per cent fall in pre-tax profits for the first half of the year, from 4.3m ringgits to 2.88m ringgits (U.S.$1.3m).

The company said that the drought of the past two years had had an abnormal effect on its estates in Johore state, while industrial action at the mill had also affected processing of palm oil. Output of palm oil from the group's estates fell by 32 per cent to 7,150 tons, while palm kernels production fell by 37 per cent to 1,420 tons.

Kulim says crop production for the second half is expected to rise substantially, and for the whole year, palm oil is estimated at 20,350 tons, kernels at 4,160 tons, and rubber at 2.17m kilos.

However, because of the drought, the company says, its oil palm covering 13 700 acres acquired from the Johore State Economic Development Corporation in a share deal, would not be maturing until 1979.

Heavy Milan trading

MILAN, Sept. 22.

THE MILAN BOURSE Committee is bringing forward the end of opening share price calls by half an hour to 10.45 hours local time from Monday, because of the length of closing operations due to heavy trading volume, much of which is thought to stem from foreign buying.

It called on operators to facilitate price quotations at both opening and closing calls, and to avoid unnecessary delays.

Trading volume has risen sharply in recent weeks, along with a strong rise in share values.

Swissair may aid SATA takeover

BY JOHN WICKS

ZURICH, Sept. 22.

SWISSAIR and its charter affiliate Balair would be prepared to hold minority stakes in any "catchment" company which might be set up to take over operations of the Geneva charter company Sata Sa de Transports Aeriens.

This was confirmed by Swissair here today.

It is expected that a number of cantons in the French-speaking part of Switzerland, as well as the city of Geneva, would also be shareholders in any such company. Sata ran into considerable financial difficulties earlier this year.

Leading accountant criticises profession

By Stewart Fleming

NEW YORK, Sept. 22.

PRICE WATERHOUSE, one of the world's leading accountancy firms, today sharply criticised the U.S. accountancy profession's moves over the past 18 months to tighten up its self-regulatory procedures.

In its annual report (Price Waterhouse is one of the few accountancy firms to issue one) the firm says: "To succeed in restoring public confidence, a self-regulatory plan must meet two tests: it must be effective and it must be so perceived by the public. As the Institute (the American Institute of Certified Public Accountants) plan stood at the year end, it does not fully meet the second test."

Although Price Waterhouse says it is still committed to support the self-regulatory programme, its new senior partner, Mr. Joseph E. Connor, Jnr. (who takes over from Mr. John C. Biegler on October 1) has said that one key change in the existing self-regulatory plan should be a strengthening of the Public Oversight Board's role.

The accountancy profession has been under intense pressure in recent years to develop more effective self-regulation or run the risk of Government intervention, perhaps through the Securities and Exchange Commission. Amongst the steps it has taken, is to formally establish a system of "peer reviews" under which one accountancy firm examines another's working procedures, and also to establish a Public Regulatory Board to monitor the profession.

Bos Kalis profits rise

BY OUR FINANCIAL STAFF

BOS KALIS WESTMINSTER, the Dutch-based dredging and construction group, expects net profits to rise by about a tenth this year, following an 11 per cent gain to Fl 23.8m ($11.2m) at the halfway mark.

This would bring the company's earnings up to around the Fl 50m level from last year's Fl 44.9m, which was 15 per cent higher than the 1976 figure.

Bos Kalis, which has considerably reduced its previous dependence on the Dutch and British markets and expanded into the Middle East and Africa, reckons that turnover in 1978 will total Fl 1.7bn against Fl 1.3bn.

The group's orders in hand in July exceeded Fl 3bn compared with Fl 2.5bn at the end of last December.

Investments during the first half amounted to some Fl 130m. These were financed out of cash flow and short term loans which will be converted into long term financing in the second half.

COMMODITIES/Review of the week

Tin eases from record level

BY OUR COMMODITIES STAFF

TIN PRICES fell back on the London Metal Exchange this week from the peak levels reached earlier. Standard grade cash tin closed last night £150 lower at £7,095 a tonne, but the three months quotation was only £67.5.

The market rose on Monday following a bigger than expected fall in Metal Exchange warehouse stocks to 1,515 tonnes—the lowest total since the 1960s.

But later in the week freer offerings of cash metal and "lending" (selling cash and buying the equivalent amount forward) eased the supply squeeze and earlier forecasts of another substantial fall in stocks have been replaced by predictions of only a small decline.

However, the market remains firm, buoyed up by the continued lack of progress in the U.S. Congress in dealing with the Bill authorising releases of stockpile tin.

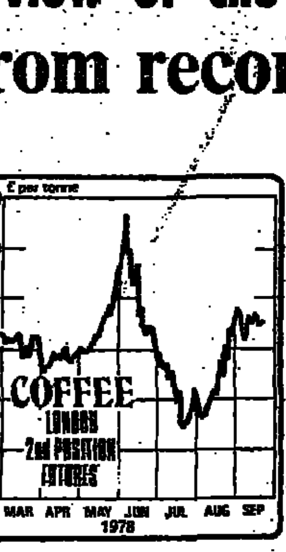
Copper prices lost ground. Cash wirebars closed at £737.25 a tonne last night, £14.75 down on the week.

The market was subdued by the announcement that Southern Peru Copper was resuming shipments, following the ending of the strike at the Ilo smelter and also by lack of consumer buying interest.

Another fall in warehouse stocks, and forecasts of a further decline, has given the market a steady undertone however but daily price movements have been mainly influenced by changes in the value of sterling against other currencies.

Trading was generally quiet on the leading "soft" commodity markets with coffee, cocoa and sugar futures all ending slightly lower on the week.

On the coffee market the November price rose to £1,532 a tonne on Monday but then gradually eased back as dealers marked time while awaiting developments at the current International Coffee Organisation meeting in London and more definite news about the damage done to the Brazilian crop by last month's frost. By last night's close the price was quoted at £1,506.5, down £4.5 on the week.



The U.S. Department of Agriculture announced that it had reduced its estimate of the 1979 Brazil crop to 18m-21m tonnes from a pre-frost level of 22m tonnes but this produced little response on the market.

The Dutch delegation to the ICO talks meanwhile proposed that the "trigger" price at which export quota controls come into force under the International Agreement should be raised by 55 per cent to 120 cents a lb, however, this was also generally ignored by dealers.

The December cocoa futures price climbed to £2,041 a tonne on Monday before slipping back to end the week £8.75 lower at £1,981.25 a tonne.

Dealers attributed the fall largely to a report by London merchants Gill and Duffus which, though painting a "distinctly pessimistic" picture for 1978-79 season supplies, also focussed attention on the continuing short term oversupply situation. Gill and Duffus cut its forecast of the 1978-79 surplus to 103,000 tonnes from 116,000 in the July report. The gross production figure has been cut by 3,000 tonnes 1,471,000 tonnes while the consumption estimate has been lifted 10,000 to 1,353,000 tonnes.

In Lausanne yesterday Mr. Gerard Bauer, president of Interfood, said there should be a significant fall in cocoa prices as a result of the current surplus. Prices are still 80 per cent above the levels fixed under the International Cocoa Agreement, he noted. He said this was mainly due to difficulties of shipping from West Africa and delays in making the Brazilian crop available.

There was little fundamental news to affect the world sugar market but growing fears that U.S. ratification of the International Sugar Agreement could be delayed until next year were believed to have encouraged the fall which took the London daily raw sugar price down £2 to £102 a tonne.

Concern over the U.S. situation was heightened by news of a White House plea for Congressmen to oppose the price support bill proposed by the Ways and Means Committee, which would set the domestic support price at 15 cents a lb. The Administration claims this would be "inflationary" and has itself proposed a "floor" price of 14.5 cents a lb.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'ge on week	Year ago	1978 High	1978 Low
Metals					
Aluminium	£710	—	£680	£710	£680
Free Market c.i.f.	$1,070/90	—	$970/990	$1,085	$960
Antimony (99.6%)	£1,325	—	£2,150	£1,925	£1,525
Free Market (99.6%)	$2450/600	—	$2,700-750	$2,475	$2,135
Copper					
Cash Wire Bars	£737.25	-14.75	£668.5	£778.5	£612
3 months Do. Do.	£745.75	-13.5	£701.5	£798.75	£624.75
Cash Cathodes	£716.75	-14.25	£660.5	£773.5	£602.5
3 month Do.	£735.75	-13.5	£693.25	£793.5	£614.75
Gold per oz.	$214.875	+3.0	$150.875	$216.375	$166.125
Lead Cash	£367.875	-1.125	£337.5	£364.75	£275.35
3 months	£363.625	+0.375	£345.75	£369.25	£280.25
Nickel	‡			£2,566	£2,566
Free Market c.i.f. lb.	$1.78/92	-0.015	$1.85-2.1	$2.0	$1.775
Platinum per oz.	£130	—	£97-102.5	£133.0	£96
Free Market per oz.	£137.6	+1.2	£86.9	£140.1	£96.4
Quicksilver (76lbs.)	$122/27	-3.0	$130/138	$152.5	$122.5
Silver per oz.	286.35p	+2.15	263p	299.75p	250p
3 months per oz.	293.35p	+2.35	267.5p	305.85p	255.9p
Tin cash	£7,095	-150.0	£6,545	£7,290	£5,690
3 months	£6,942.5	-67.5	£6,505	£7,067.5	£5,717.5
Tungsten Ind.	$141.06	+3.24	—	$141.06	$134.24
Wolfram (22.04lb.)	$140/45	+0.5	$143/46	[illegible]	[illegible]
Zinc cash	£322	-5.25	£282	£359.5	£255.25
3 months	£332.875	-4.875	£292.75	£348.5	£257.75
Producers	$625	—	$700	$625	$560
Grains					
Barley EEC	‡	—	£75	‡	‡
Home Futures	£79.5	-0.55	£71.2	£87.75	£70.05
Maize					
French No.3 Yellow (American)	£101	+0.5	£89.5	£106.75	£89.5

	Latest prices per tonne unless stated	Ch'ge on week	Year ago	1978 High	1978 Low
Wheat					
No. 1 Red Spring	£90.75	+0.75	£81.9	£98.5	£85.5
Am. Hard Winter (Oct.)	£92	+0.75	‡	£91.5	£80.75
Eng. Milling (new crop)	£89.5	—	£92.5	£105	£88.5
Spices					
Cloves (g)	$3,975	+75.0	£6,000	£6,000	£3,900
Pepper, white	$2,725	-50.0	$3,025	$3,300	$2,575
Black	$1,750	-75.0	$2,300	$2,450	$1,575
Oils					
Coconut (Philippines)	$770	-20.0	$495	$830	$532.5
Groundnut 5%	£748		£537	£755	£567
Linseed, Crude	£322	-5.0	£297	£385	£256
Palm Malayan	$592.5	-10.5	$448	$640	$495
Seeds					
Copra (Philippines)	$520	-10.0	$350	$545	$372.5
Soyabeans (U.S.)	$269	+1.0	$235.5	$315	$254
Other Commodities					
Cocoa Shipments	£2,021	-8.0	£2,602	£2,153	£1,511
Fts 2nd pos	£1,981.25	-8.75	£2,632.5	£2,089.5	£1,436.5
Coffee Futures Nov.	£1,506.5	-4.5	£2,295	£1,952.5	£1,092
Cotton Index	74.1c	+0.65	68.9c	74.6c	61.85c
Des. Coconut	$645	—	‡	£750	£605
Jute UA BW C grade	$499	—	$428	$499	$451
Rubber kilo	60.00p	—	56p	60p	49.5p
Sago Pearl	£178	—	£198	£190	£177
Sisal No. 2 L	$520	—	$555	$585	$520
Sugar (Raw)	£102	-2	£102	£114	£91
Tapioca No. 1	£169	—	£168	£180	£173
Tea (quality) kilo	170p	+37.0	193p	180p	127p
(plain) kilo	85p	+6.0	75p	88p	60p
Wooltops 64s Warp	273p kilo	-2.0	280p kilo	285p kilo	257p kilo

‡ Unquoted. * Nominal. g Madagascar.

BASE METALS

COPPER—Easier on the London Metal Exchange. Although forward metal traded up to £750 pre-market, this level could not be maintained. Hedge selling caused a fall to £745. Comex was slightly lower. The close on the Kerb, after an uneventful day, was £746. The price fall, a net £13.5 on the week. Turnover 13,750 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	729-.5	—3	727-.5	—2.25
3 months	747.5-8	—3.5	745.5-6	—3
Settl'm'nt	729.5	—3	—	.....
Cathodes				
Cash	717.5-1	—3.5	716.5-7	—2.25
3 months	736.5-7	—3.5	735.5-6	—2.75
Settl'm'nt	718	—3.5	—	.....
U.S. Smlt.	685	.....	63-66	.....

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £729, 29.5, three months £749, 48.5, 48, 47, 47.5, 48, 47.5. Cathodes: cash £718, three months £737, 36.5. Kerbs: Wirebars three months £747.5, 47, 46.5, 46. Afternoon: Wirebars three months £747, 46.5, 46, 45.5, 46. Cathodes cash £717. Kerbs: Wirebars three months £746, 45.5, 46, 46.5.

TIN—Little changed. The East was steady overnight and London moved down from £7,000 to £6,980 before weekend liquidation caused a fall to £6,930. But a recovery allowed a close on the Kerb of £6,950. The net fall on the week was £67.5. Turnover 890 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7150-60	.....	7090-100	—5
3 months	6985-700	+7.5	6940-55	—12.5
Settlem't	7160	[illegible]	[illegible]	[illegible]
Standard	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

LEAD—[illegible]

ZINC—[illegible]

SILVER

[illegible]

COFFEE

ROBUSTAS [illegible] Drexel Burnham Lambert reported. [illegible]

day closed with values £10 to £15 higher on balance.

COFFEE	Yesterday's Close £ per tonne	+ or —	Business Done
September	1619-95	+56.0	1590-70
November	1506-07	+19.0	1505-1470
January	1420-23	+15.5	1423-1380
March	1337-39	+17.5	1338-05
May	1295-95	+22.5	1290-65
July	1269-75	+27.5	1269-45
September	1245-49	+32.0	1210

Sales: 2,182 (1,983) lots of 5 tonnes.

ICO Indicator prices for Sept. 21 (U.S. cents per pound): Colombian Mild Arabicas 190.00 (180.50); unwashed Arabicas 153.00 (same); other mild Arabicas 154.00 (155.00); Robustas ICA 1976 147.50 (147.75); Robustas ICA 1968 148.00 (148.25). Daily average 151.00 (151.38).

COCOA

The market was quiet and featureless and prices closed quietly, Gill and Duffus reported.

COCOA	Yesterday's Close	+ or —	Business Done
No. 6 Contr't			
Sept.	1955.0-65.0	—16	1985.0-52.0
Dec.	1981.5-81.5	—4.5	2045.0-1980
March	1980.0-81.0	—7.5	2015.0-1990
May	1993.0-94.0	—10	2015.0-1991
July	1975.0-75.0	—5	1990.0-75.0
Sept.	1945.0-45.5	—10.25	1955.0-45.0
Dec.	1900.0-05.5	—1.0	1910.0-1899

Sales: 2,123 (2,792) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound)—Daily price Sept. 21 173.36 (173.05). Indicator prices Sept. 21 15-day average 169.56 (168.68); 22-day average 164.26 (161.91).

GRAINS

[illegible]

RUBBER

[illegible]

Spot 60p (same); Oct. 60.25p (59.75); Nov. 61p (60.75).

SUGAR

LONDON DAILY PRICE (raw sugar) £102 (£100) a tonne cif for Sept.-Oct. shipment. White sugar daily price was fixed at £108.50 (£107.00).

Gains of some 50 points were recorded during the morning, following rumours of an Iran tender. Later, however, arbitrage selling produced an easier tone and final prices were around 100 points below the best levels, C. Czarnikow reported.

Tate and Lyle ex-refinery price for granulated basis white sugar was £264.95 (same) a tonne for home trade and £182.00 (same) for export.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
Oct.	105.00-05.10	103.40-03.45	104.80-04.00
Dec.	106.55-06.90	104.80-04.85	107.55-06.00
March	111.50-11.55	110.00-10.05	112.75-10.10
May	114.00-14.10	112.40-12.60	115.00-13.10
Aug.	117.25-17.60	116.00-16.05	118.50-16.05
Oct.	120.55-20.60	118.90-19.00	121.00-119.05
Dec.	123.50-26.50	122.85-22.90	123.05

Sales: 4,601 (3,250) lots of 50 tonnes.

HONG KONG—Raw Sugar Futures: Market report for week ending Sept. 22 (four business days only): Prices were about maintained over the week in routine trading. Friday's closing prices (cents per pound): Oct. 8.15-8.17, Jan. 8.60-8.70, March 8.75-8.78, May 8.94-8.96, July 9.14-9.19, Sept. 9.35-9.38. Week's high-low: March 8.81-8.56, May 9.02-8.94, July 9.27-9.06. Turnover: 54 (79) lots.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port)—Prices for Sept. 21. Daily 8.00 (8.17). 15-day average 8.02 (7.97). [illegible]

SOYABEAN MEAL

[illegible]

WOOL FUTURES

[illegible]

MEAT/VEGETABLES

[illegible]

COTTON

LIVERPOOL COTTON—[illegible]

INDICES

FINANCIAL TIMES

Sept. 22	Sept. 21	Month ago	Year ago
252.46	252.71	248.42	243.28

(Base: July 1 1952=100)

REUTERS

1476.9	1478.1	1458.3	1510.5

(Base: September 18 1931=100)

DOW JONES

Spot	373.37	377.77	367.22	371.55
Futures	371.26	376.57	364.91	329.88

MOODY'S

948.6	954.6	[illegible]	[illegible]

U.S. Markets

Cocoa—Sept. 172.55 (171.25), March 170.00 (170.00), May 168.65, July 168.65, Sept. 164.25, Dec. 160.20. Sales: 688.

[illegible]

WINNIPEG, Sept. 21. ††Rye—Oct. 93.00 (93.40 bid), Nov. 92.50 (92.60 bid), Dec. 93.10, May 96.40 bid, July 95.50.

††Oats—Oct. 142 (143), Dec. 140 (149½), March 151½, May 152 asked.

‡‡Barley—Oct. 69.60 bid (69.60), Dec. 71.50 asked (71.60 bid), March 73.20 asked, May 73.90 asked.

††Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 171.94 (172.84).

All cents per pound ex-warehouse unless otherwise stated. * $s per troy ounce—100-ounce lots. † Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime steam fob NY bulk tank cars. ‡ Cents per 56-lb bushel ex-warehouse, 5,000-bushel lots. § $s per troy ounce for 50-oz units of 99.9 per cent purity delivered NY. ¶ Cents per troy ounce ex-warehouse. ‖ New "B" contract in $s a short ton for bulk lots of 100 short tons delivered fob cars Chicago, Toledo, St Louis and Alton. ** Cents per 59-lb bushel in store. †† Cents per 24-lb bushel. ‡‡ Cents per 48-lb bushel ex-warehouse. §§ Cents per 56-lb bushel ex-warehouse, 1,000-bushel lots. ¶¶ $C per tonne.

Smirnoff backs fast yachts

SMIRNOFF VODKA will sponsor the world sailing speed record week to be held in Portland harbour from October 7-14. Entrants are coming from Europe, Japan and America. There are five classes.

World record, at 31.8 knots (36.36 mph), is held by Tim Coleman. It's the 40-knot barrier we will be aiming for this year," says Coleman, of Bixley Manor, Norwich.

Bus plan

NEARLY 40 villages in Northamptonshire plan to start their own mini-bus service to combat cuts by United Counties Bus Co.

Zellers extension

Hudson's Bay Company said more than 51 per cent of the shares of Zellers Limited have been tendered under its purchase offer and that it will take up any pay for all Zellers shares so tendered reports Reuter from Toronto.

The offer, which was to have expired on Thursday was extended until 1630 local time on Friday, it said.

Hudson's Bay is offering to acquire all outstanding shares of Zellers on the basis of one Hudson's Bay share and $16.50 for each four shares of Zellers.

London school standards 'not falling'

FINANCIAL TIMES REPORTER

STANDARDS are not falling in Inner London's schools and there is no cause for despondency about the introduction of the comprehensive system, Mr. Peter Newam, education officer of Inner London Education Authority, said yesterday.

The report was based only on 1976 results, and did not justify complacency either, he added. The results of the switch to comprehensive schooling would start to emerge only in 1982.

More than 70 per cent of the pupils who took A levels in the summer of 1976 passed in one or more subject, and 42 per cent in two or more, giving an overall pass rate of 62 per cent. The overall pass rate for O levels was 52 per cent.

There were marked differences in entries and results between ILEA divisions. For example, in Greenwich, which had a high intake of able children in 1968 and 1971, the A and O level results compared unfavourably with divisions with similar intakes.

There was also a remarkably low O level pass rate in colleges of further education, often below 50 per cent. Another feature of the report is the imbalance between girls and boys in results and subjects taken.

Because of girls' low expectations in science, the authority had spent less money on laboratories for girls' schools. This was being reviewed by the Inspectorate, which was also looking into the comparative performance of girls in mixed and single sex schools.

Both in GCE A and O levels, the report shows a lower pass rate in Inner London than for the whole of England and Wales. But since the respective figures are worked out differently, the authority said that it was wrong to compare them.

The ILEA's 1976 O level and CSE results mainly come from the intake to secondary schools in 1971, and the A levels from the schools' 1969 intake. In both years, the authority still operated a largely selectively secondary school system.

Since changes take several years to work through the secondary system, it will be 1982 before results emerge from the comprehensive system which came into being last year on the ending of selection.

EUROPEAN OPTIONS EXCHANGE

Series		Oct. Vol.	Oct. Last	Jan. Vol.	Jan. Last	Apr. Vol.	Apr. Last	Stock
ABN	F.370	—	—	1	25	—	—	F.381.50
ABN	F.380	1	9	3	18.50	1	25	..
ABN	F.390	—	—	1	12	5	17	..
AKZ	F.30	4	2.60	5	4.60	—	—	F.32.20
AKZ	F.32.50	30	1.10	143	2.80	1	4	..
AKZ	F.35	—	—	—	—	55	3	..
ARB	F.75	—	—	3	7.20		—	F.81.40
ARB	F85	—	—	—	—	20	3.40	
EK	$60	3	3¾	2	6½	—	—	$62½
EK	$70	—	—	11	2⅝	1	4⅝	
HO	F37.50	—	—	1	4.50	10	5.70	F.37.50
HO	F.40	—	—	—	—	31	4.10	..
HO	F.45	—	—	—	—	4	2.40	..
IBM	$260	—	—	10	33½	—	—	$283
IBM	$280	10	11	—		—	—	
IBM	$300	20	3¼	9	11½	2	15½	..
KLM	F.142.90	—	—	2	26	—	—	F.163.50
KLM	F. 150	—	—	5	20	—	—	..
KLM	F.152.40	5	14	—	—	—	—	..
KLM	F. 160	7	7.60	5	16	1	20	..
KLM	F.161.90	10	7.50	2	14.50	—	—	..
KLM	F.170	15	3.50	3	11	4	17	..
KLM	F.171.40	94	3	29	9.50	—	—	..
KLM	F. 181	—	—	1	7.50	—	—	..
KLM	F.190.50	10	0.20	19	4.50	—	—	..
KLM	F.209.50	—	—	1	2.70	—	—	..
NN	F.98.90	10	16.60	4	16.70	—	—	F.116.10
NN	F.108.90	2	6.50	31	9	—	—	..
NN	F.110	—	—	—	—	4	11.50	..
NN	F.118.90	—	—	2	4.50	—	—	..
NN	F.120	—	—	—	—	15	5.50	..
PHI	F.25	—	—	1	4.90	—	—	F.28.20
PHI	F. 27.50	40	1.30	10	2.60	2	3.90	..
PHI	F.30	45	0.40	180	1.40	63	2.40	..
PRD	$50	—	—	9	6½	—	—	$50⅛
PRD	$60	10	⅛	—	—	—	—	
RD	F.130	22	6.10	1	8.50	—	—	F.134
RD	F.140	—	—	68	3.60	82	6.20	
UNI	F.130	30	0.50	1	3.60	1	4.50	F.126.60
		Nov.		Feb.		May		
BA	$60	—	—	5	12½	—	—	$63⅝
BA	$70	—	—	3	7⅛	—	—	..
BA	$8	—	—	—	—	1	5½	..
OXY	$25	—	—	—	—	1	1½	$20¼
SLB	$90	5	3½	—	—	—	—	$87
TOTAL VOLUME IN CONTRACTS						1228		

BRITISH FUNDS (649)

FREE OF STAMP DUTY

INTL. BANK (1)

CORPORATION STKS. (42)

FREE OF STAMP DUTY

SHORT DATED BONDS

FREE OF STAMP DUTY

PUBLIC BOARDS (17)

COMMONWEALTH GOVT. STKS. (12)

REGISTERED AND INSCRIBED STOCKS

FOREIGN STKS. (9)

COUPONS PAYABLE IN LONDON

Japan 4pcStlg.Ln. $US520 (19/9). 6pcLn. 1983-88 71 (21/9)

Russian 5pcLn. (With new Coupon sheets) 4. 4½pcLn. 1909 4

FOREIGN CORPS. (1)

Moscow (City of) 5pc 1908 £4

RAILWAYS—(U.K.) (4)

Canadian Pacific 4pcDb. 32⊕ ¼⊕ 1¼

New Brunswick 4pcDb. 28½⊕

Ontario Quebec 5pcDb. 40½ (18/9)

Central London (New) 39½ (18/9)

SINGAPORE

Sept. 22	$	Sept. 22	$
Industrials		StraitsTrad'g	6.75
Boustead Co.	2.20	Times Pub. Berhad	2.84
BousteadBhd	‡2.62	U. Engineers	1.60
Dunlop	4.24xd	U. Ov's Bk.	3.64
Fraser Neave	5.56	Wearnes	2.48
Haw Par	1.90	Tractors	6.40
Hume Ind.	1.85xd	Chemical	4.74
Inchcape	2.05	Within Jacks	1.50
Malay Brew.	6.00	Rubbers	
Malay Cemt.	2.30	Batu Lintang	—
Met. Bx	2.85	Dunlop Estate	3.60xd
Ov'sChin.Bk	8.60xd	Kempas	3.86
Pan Electric	—		
Robinson Co.	2.64	Tins	
Rothmans	4.40	Austral. Am.	—
Shell	2.80	Berjuntai	†7.95
Sime Darby	3.54	Kampar	—
Cold Storage	2.68	Kuchai	—
Straitsteam	2.45	Lower Perak	—
StraitsTimes		Petaling Tin	—
1970 Ltd.	‡7.30	SupremeCp.	‡2.30
		TongkahHar.	—

This week's SE dealings

Friday, September 22	4,810	Wednesday, September 20	5,164	Monday, September 18	5,474
Thursday, September 21	5,012	Tuesday, September 19	5,563	Friday, September 15	6,257

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in pence and fractions of pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

† Bargains at Special Prices. Δ Bargains done with or between non-members. ⊕ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—Singapore; $US—$United States; $WI—$West Indian.

FOREIGN RLYS. (—)

Antofagasta (Chili) 5pcPf. 43 (20/9)

BANKS & DISCOUNT COS. (144)

Alexanders Discount 263 (21/9)

Allied Irish (25p) 235 4 (20/9)

Arbuthnot Latham Hldgs. 175 (21/9)

Australia New Zealand ($A1) 344⊕ 2

Bank Ireland 445⊕. 7pcLn. 59½ (20/9). 10pcUns.Ln. 199 (18/9)

Bank Montreal Sub. Wrnts. 32⊕ 2 pm

Bank New South Wales ($A2) 680⊕ 70

Bank Scotland 280⊕

Barclays 352⊕ 50½⊕ 7⊕ 1⊕ 3⊕ 48 52 50 47. 8½pcUns.Ln. 72½⊕

Barclays International 7½pcUns.Ln 67½⊕

Brown Shipley Hldgs. 248 (21/9)

BREWERIES & DISTILLS. (128)

CANALS & DOCKS (10)

COMMERCIAL, INDUSTL. (2,829)

A—B

Banro Consold. Indust. (20p) 70 68 (18/9)

Barget (25p) 32½ (21/9)

Barker Dobson Grp. (10p) 130. 6¾pcLn. 42 (20/9)

Barlow Rand (R0.10) 322⊕. New Pfd. (R0.10) 23

Barr Wallace Arnold Tst. (25p) 161. A (N.V.) (25p) 153⊕

Barratt Devs. (10p) 120 17 19

Barrow Hepburn Grp. (25p) 40 1. 7.75pc Pf. 60 (19/9). 12pcLn. 77¾ (19/9)

Barton Sons (25p) 68½⊕ 70 ½⊕

Bassett (Geo.) Hldgs. (25p) 133⊕

Bath Portland Grp. (25p) 68 ½

Batleys of Yorkshire (10p) 64⊕ 80

Baynes (Charles) (10p) 32 (19/9)

Beales (John) Assoc. Cos. (20p) 80 (19/9)

Beatson Clark (25p) 199

C—D

Croda Inter. (10p) 64½⊕ 4

Granite Grp. (25p) 40 (21/9)

Cropper (James) (25p) 80 (20/9)

Crosby House Grp. 138 5 (20/9)

Crosby Spring Interiors (10p) 16 (20/9). 10pcPf. 99 (21/9)

Crouch (Derek) (20p) 113 15 (21/9)

Crouch Grp. (25p) 65

Crown House (25p) 63 (21/9)

Crystalate Hldgs. (5p) 34⊕ 5

Cullen's Stores (20p) 136 40. A.Non.V. (20p) 134⊕ 7

Culter Guard Bridge Hldgs. (25p) 25⊕ (21/9)

Dale Electric Internat. (10p) 192⊕ 86 8 90 1

Danish Bacon A 112 (20/9)

Danks Gowerton (25p) 118 15 (20/9)

E—F

G—H

Hay (N) (10p) 58 (21/9)

Hazlewoods (Prpy.) (20p) 84 (18/9)

Helene Ldn. (10p) 23½

Henderson (PC) Grout (10p) 58 (19/9). A.Non.V. (10p) 93

Henderson-Kenton (20p) 88⊕ (21/9). 10pc Pf. 95½ (19/9)

Henekey's 7½pcPf. 1stPf. 45 (19/9)

Henlys (20p) 132½

Henriques (Arthur) (10p) 26½⊕

Hensher (Furniture Trades) (10p) 26½⊕. A (10p) 26 5½ 4 5 (19/9)

Hepworth Ceramic Hldgs. (25p) 95⊕ 3½ 3 ½

Hepworth (J.) Son (10p) 76⊕ 3

Heron Motor Grp. (25p) 130⊕ (21/9)

Hestair (25p) 90

Hestair Consumer Products 6pcLn. 46½ (19/9)

I—J—K

L—M

Mackinnon Scotland (25p) 49⊕

McNeill Grp. (25p) 41⊕

Macpherson (Donald) Grp. (25p) 77⊕ (21/9)

Magnet Southerns (25p) 230 3⊕

Makin (J. J.) Paper Mills (25p) 103 (20/9)

Mallinson-Denny (25p) 54½⊕ ½

Manders (25p) 101 (18/9)

Manganese Bronze (25p) 74½⊕ (21/9). 8¼pcPf. 56½ 7 (19/9)

Mann Egerton 7½pcPf. 51⊕

Manor National (20p) 36½⊕ (21/9). New 10½pcPf. 100½⊕. 12pcLn. 97¼⊕ ½⊕ 8⊕

Maple (10p) 24½⊕ 5 ½. 10½pcLn. 69 (18/9)

N—O—P

Q—R—S

Sainsbury (J) (25p) 236⊕ 2 3 5. 7¼pc 1stMtg.Db. 68 (19/9). 8pcIrrd.Uns.Ln. 59½

St. George's Laundry (Worcs.) (10p) 16 (19/9)

Sale Tilney (25p) 330 (19/9)

Samuel (H) A (25p) 192 3

Samuelson Film Serv. (20p) 55 (19/9)

Sandeman (Geo. G) Sons (25p) 60 3 (18/9)

Sanderson Kayser (25p) 89 (20/9)

Sandhurst Marketing (10p) 36½

Sangers Grp. (25p) 84

Saville Gordon (J) Grp. (10p) 27¾⊕ 6½

Savoy Hotel A (10p) 85⊕ 8⊕ 2⊕ 3

Scapa Grp. (25p) 105½⊕

Scholes (GH) (25p) 290 (18/9)

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
[B]arnsley Metro. (0226 203232)	11½	½-year	250	5-7
[K]nowsley (051 548 6555)	11¾	½-year	1,000	6-10
[M]anchester (061 236 3377) ...	10	½-year	500	2
[R]edbridge (01-478 3020)	11¼	½-year	200	5-7
[T]hurrock (0375 5122)	11	½-year	300	4
[T]hurrock (0375 5122)	10¾	½-year	300	3
[W]rekin (0952 505051)	11¼	yearly	1,000	5-6

BUILDING SOCIETY RATES

	Deposit Rate	Share Accnts.	Sub'pn Shares	*Term Shares
Abbey National	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs.
Aid to Thrift	7.00%	7.50%	—	—
Alliance	6.45%	6.70%	7.95%	7.70% 3-4 yrs., 7.20% 2 yrs., 6.95% 1 yr.
Anglia Hastings & Thanet...	6.45%	6.70%	7.95%	7.70% 3-4 yrs., 7.20% 2 yrs., 6.95% 1 yr.
Bradford and Bingley	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., min. £500
Bridgwater	6.45%	6.70%	8.50%	7.90% 2½ yrs., 7.45% 2 yrs.
Bristol and West	6.45%	6.70%	7.95%	—
Bristol Economic	6.45%	6.70%	7.95%	6.95% 3 months' notice
Britannia	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., min. £500
Burnley	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs.
Cardiff	6.45%	7.25%	8.25%	—
Catholic	6.00%	●6.80%	7.50%	— ● 7% over £5,000
Chelsea	6.45%	6.70%	7.95%	7.45% min. £500 6 months' notice
Cheltenham & Gloucester ...	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs. (£500-£15,000)
Citizens Regency	6.45%	7.05%	8.25%	8.30% 3 yrs., 7.55% 1 yr., min. £5,000
City of London	6.70%	7.00%	7.95%	7.92% 3 yrs., increment share—min. £500
Coventry Economic	6.45%	6.70%	7.95%	7.70% 3 yrs. min., 7.20% 3 mths.' notice
Coventry Provident	6.45%	6.70%	8.70%	7.95% 3 yrs., 6.95% 2 yrs.
Derbyshire	6.45%	6.70%	7.20%	— up to 7.2% 3 months' notice
Gateway	6.45%	6.70%	7.95%	7.70% 3yrs., 7.20% 2yrs., min.£500-£15,000
Guardian	6.45%	6.95%	7.20%	7.65% 3 months' notice, £1,000 min.
Halifax	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs.
Heart of England	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 3 months' notice
Hearts of Oak & Enfield ...	6.45%	6.95%	8.45%	8.20% 4 yrs., 7.95% 3 yrs., 7.70% 2 yrs.
Hendon	6.70%	7.20%	—	7.70% 6 months
Huddersfield & Bradford ...	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs.
Leamington Spa	6.55%	6.80%	9.26%	7.55% 2 yrs., 8.00% 1 yr.
Leeds Permanent	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., min. £1,000
Leicester	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., 6.95% 3 mths.
Liverpool	6.45%	6.70%	8.15%	7.80% 3 yrs., 7.30% 2 yrs., min. £1,000
London Goldhawk	6.45%	6.95%	8.20%	—
Melton Mowbray	6.55%	6.80%	7.95%	7.55% 2 yrs., min. £2,000
Midshires	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., min. £250
Mornington	7.25%	7.50%	—	—
National Counties	6.70%	7.00%	8.00%	7.45% 3 months, min. £1,000
Nationwide	6.45%	6.70%	7.95%	7.70% 3-4 yrs., 7.20% 2 yrs., min. £500
Newcastle Permanent	6.45%	6.70%	8.00%	8.00% 3 yrs., 7.70% 2 yrs.
New Cross	7.25%	7.50%	—	—
Northern Rock	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.20% 2 yrs., min. £100
Norwich	6.45%	6.70%	8.20%	7.70% 3 yrs., 7.45% 2 yrs., min. £500
Paisley	6.45%	6.70%	7.20%	7.70% 3 yrs., 7.20% 2 yrs., min. £500
Peckham Mutual	6.75%	7.25%	—	—
Portman	6.45%	6.70%	7.95%	7.70% 3 yrs., 7.45% ½-yrly., 6.95% 3 mths.
Principality Buildg. Society	6.45%	6.70%	7.95%	7.70% 3-4 yrs., 7.20% 2 yrs., min. £500
Progressive	6.70%	6.95%	7.95%	7.95% 3yrs., 7.70% 2yrs., 7.45% 3mths.not.
Property Owners	6.45%	7.20%	8.45%	7.65% 3 mths. not., 5.70% to limited cos.
Provincial	6.45%	6.70%	7.95%	7.70% 3-4 yrs., 7.20% 2 yrs.
Skipton	6.45%	6.70%	7.95%	7.70% 3yrs., 7.20% 2yrs., 6.95% 3mths.not.
Sussex Mutual	6.45%	7.00%	8.75%	8.05% 3 yrs., 7.75% 2 yrs., 7.50% 1 yr.
Town and Country	6.45%	6.70%	♣10.00%	7.70% 3 yrs., 7.20% 2 yrs. ♣ Max. £250
Woolwich	6.45%	6.70%	7.95%	7.20% 2 yrs., 7.70% 3 yrs.

* Rates normally variable in line with changes in ordinary share rates.

Currency, Money and Gold Markets

UK MONEY MARKET

Rise in bill rate

Bank of England Minimum Lending Rate 10 per cent (since June 8, 1978)

The Treasury bill rate rose by 0.0597 per cent to 8.9067 per cent at yesterday's tender, and the minimum accepted bid was £97.77 compared with £97.79 the previous week. Applicants for 93-day bills saw a minimum accepted bid of £97.73½ while 92-day bills were allotted at £97.74½ and above in full. Next week £400m will be on offer replacing maturities of £300m.

Day to day credit was in short supply in the money market and the authorities gave assistance by buying a large amount of Treasury bills and a small number of corporation bills all direct from the discount houses. Total assistance was termed as very large. The market was faced with a moderate net take up of Treasury bills and quite a large increase in the note circulation. Banks also brought forward balances some way below target.

Discount houses were paying 8½-8¾ per cent for secured call loans at the start and closing balances were taken as low as 5-6 per cent.

In the interbank market, overnight loans opened at 8¾-9 per cent and rose on the forecast of a shortage to 9-9¼ per cent. Rates eased during the afternoon before fluctuating between 3 per cent and 8 per cent. Closing balances were taken at 3-5 per cent.

Rates in the table below are nominal in some cases.

THE POUND SPOT

Sept. 22	Bank rates %	Day's Spread	Close
U.S. $	8	1.9575-1.9800	1.9710-1.9720
Canadian $	9½	2.2805-2.3185	2.3110-2.3120
Guilder	4½	4.17-4.20½	4.18½-4.19½
Belgian F.	6	60.50-61.00	60.60-60.70
Danish K.	8	10.59-10.68	10.61½-10.62½
D-Mark	3	3.83½-3.87	3.84½-3.85½
Port. Esc.	18	88.40-89.90	89.40-89.80
Span. Pes.	8	143.60-144.45	144.00-144.10
Lira	10½	1,622-1,631	1,629½-1,630½
Nrwgn. K.	7	10.17½-10.24½	10.21½-10.22½
French Fr.	9½	8.58-8.67	8.62-8.63
Swedish Kr	6½	8.66-8.76	8.70½-8.71½
Yen	3½	368-376	370½-372½
Austria Sch.	4½	27.80-28.05	27.88-27.98
Swiss Fr.	1	2.98-3.02½	2.99½-3.00½

Belgian rate is for convertible francs. Financial franc 63.20-63.30.

EXCHANGES AND BULLION

Sterling lost ground in yesterday's foreign exchange market in moderately active pre-weekend trading. Industrial unrest at Ford and the possible implications for the Government's projected 5 per cent pay limit prompted a good deal of selling. This led to some support in the spot market by the Bank of England and it was this, and a slightly weaker tendency by the U.S. dollar towards the close that pushed sterling above its worst level for the day to close at $1.9710-1.9720, a loss of 95 points from Thursday's close. The pound opened at $1.9785-1.9800, its highest level for the day and fell during the afternoon to $1.9575 before recovering at the finish. Against the Swiss franc it fell to an all time closing low of SwFr 3.0025, having touched SwFr 2.9900 at one point.

Using Bank of England figures, the pound's trade weighted index fell to 62.8 from 63.1, after 62.6 at noon and 63.0 in the morning.

The dollar recovered a little against most major currencies, helped by some profit taking and closed at SwFr 1.5225 against the Swiss franc compared with SwFr 1.5170 previously. However, it did touch SwFr 1.5125 during the day. The West German mark was less active and finished at DM 1.9530 compared with DM 1.9520.

Using Morgan Guaranty figures at noon in New York, the dollar's trade weighted average depreciation narrowed to 9.3 per cent from 9.6 per cent. This partly reflected the weaker trend in the Canadian dollar which fell to a record low of 85.27½ U.S. cents from 85.45½ U.S. cents on Thursday.

The Belgian franc was very weak and was again at its lowest permitted level against the D-mark within the European "snake."

Gold traded very quietly and finished the day $1 an ounce lower at $214½-215½.

OTHER MARKETS

Sept. 22	£	$		£ Note Rates
Argentina Peso	1,691-1,695	857.70-859.75	Austria	27.50-28.50
Australia Dollar	1.7007-1.7057	0.8625-0.8652	Belgium	62.90-63.00
Finland Markka	7.95-7.96½	4.0310-4.0330	Denmark	10.55-10.70
Brazil Cruzeiro	37.37-38.37	18.95-19.45	France	8.60-8.70
Greece Drachma ...	72.075-73.835	36.65-37.45	Germany	3.80-3.90
Hong Kong Dollar.	9.34½-9.36½	4.7500-4.7530	Italy	1600-1650
Iran Rial	136-142	70.45-70.65	Japan	370-380
Kuwait Dinar (KD)	0.532-0.542	0.2721-0.2722	Netherlands	4.15-4.25
Luxembourg Franc	60.90-61.00	30.76-30.78	Norway	10.15-10.25
Malaysia Dollar	4.4965-4.5115	2.2820-2.2840	Portugal	89-104
New Zealand Dollar	1.8573-1.8643	0.9420-0.9456	Spain	143-148
Saudi Arabia Riyal	6.51-6.61	3.3215-3.3240	Switzerland	2.95-3.05
Singapore Dollar..	4.39½-4.41	2.2340-2.2350	United States	1.97-1.98
South African Rand	1.6957-1.7217	0.8600-0.8735	Yugoslavia	38.00-41.00

Rate given for Argentina is free rate.

GOLD

	Sept 22	Sept. 21
Gold Bullion (a fine ounce)		
Close	$214½-215½	$215½-216½
Opening	$214½-215	$216½-217
Morning fixing	$214.65 (£108.907)	$216.50 (£109.656)
Afternoon fixing	$214.25 (£108.669)	$215.65 (£109.749)
Gold Coins domestically		
Krugerrand	$222½-224½ (£112½-113½)	$223½-225½ (£112½-113½)
New Sovereigns	$61½-63½ (£31-32)	$61½-63½ (£31½-32½)
Old Sovereigns	$61½-63½ (£31-32)	$61½-63½ (£31-32)
Gold Coins internationally		—
Krugerrand	$221½-223½ (£111½-113½)	$221½-223½ (£111½-113½)
New Sovereigns	$57½-59½ (£29½-30½)	$57½-59½ (£29-30)
Old Sovereigns	$61½-63½ (£31-32)	$61½-63½ (£31-32)
$20 Eagles	$310½-313½	$313-316
$10 Eagles	$166-168	$165-168
$5 Eagles	$116-119	$116-118

LONDON MONEY RATES

Sept. 22 1978	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	3-9¼	—	—	—	9⅝	5-9	—	—	—
2 days notice..	—	—	8⅞-9	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	9⅛	—	—	—	—
7 days notice..	—	9-9⅛	8⅞-9	—	9⅛-9¼	—	8⅝-8⅞	—	—	—
One month	9¼-9[illegible]	[illegible]	8⅞-9⅛	9¼-9½	9⅛-9⅝	9⅝	8¾	8⅞	9¼	9½
Two months	[illegible]	[illegible]	—	9⅛-9½	9¼-9¾	—	9	[illegible]	9¼	9½
Three months	[illegible]	9¼-9⅜	9⅛-9¼	9-9½	9⅝-9⅞	9¾	9⅛	[illegible]	9¼	9½
Six months	9⅝-9½	9⅝-9¾	9⅜-9½	9¼-9½	9⅞-10⅛	—	—	—	[illegible]-9½	9⅞
Nine months	9¾-9⅝	9¾-9⅞	—	9⅝-9⅞	10¼	—	—	—	—	—
One year	[illegible]	9⅞-10	9⅝-9⅞	9¾-10	10⅜	—	—	—	—	—
Two years	—	—	10¾-10⅞	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 11¼-11½ per cent; four years 11½ per cent; five years 12-12¼ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 9[illegible] per cent; four-month trade bills 9[illegible] per cent.

Approximate selling rates for one-month Treasury bills 8[illegible] per cent; and two-month 8[illegible] per cent; three-month 8[illegible] per cent. Approximate selling rate for one-month bank bills 9[illegible] per cent; two-month 9[illegible] per cent; and three-month 9[illegible] per cent. One-month trade bills 9[illegible] per cent; two-month 9[illegible] per cent; and also three-month 9[illegible] per cent.

Finance House Base Rates (published by the Finance Houses Association) 10 per cent from September 1, 1978. **Clearing Bank Deposit Rates** (for small sums at seven days' notice) 6.7 per cent. **Clearing Bank Base Rates** for lending 10 per cent. **Treasury Bills:** Average tender rates of discount 8.9067.

CURRENCY MOVEMENTS

September 22	Bank of England Index	Morgan Guaranty changes %
Sterling	62.79	−40.8
U.S. dollar	83.83	− 9.5
Canadian dollar	80.07	−17.2
Austrian schilling	148.72	+17.4
Belgian franc	111.57	+13.0
Danish krone	114.61	+ 4.9
Deutsche Mark	143.34	+37.2
Swiss franc	215.64	+105.8
Guilder	120.53	+17.6
French franc	98.16	− 6.0
Lira	55.88	−47.2
Yen	154.53	+52.6

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

EURO-CURRENCY INTEREST RATES*

Sept. 22	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	16-16½	8¾-8⅝	8¼-9¼	5-5¼	[illegible]	[illegible]	7-7¼	16-26		[illegible]
7 day's notice	13¾-14¼	8½-8¾	8¼-9¼	5-5¼	1-1¼	[illegible]	7⅜-7⅝	16-17	[illegible]	[illegible]
Month	13-13¼	8⅞-9⅛	8¾-9⅛	[illegible]	[illegible]	[illegible]	[illegible]	14¼-15¼	[illegible]	[illegible]
Three months	12¾-13⅛	9⅛-9⅜	9-9⅜	[illegible]	½-⅝	[illegible]	[illegible]	13¾-14¾	[illegible]	[illegible]
Six months	12¾-13⅛	[illegible]	[illegible]	[illegible]	1-1⅛	[illegible]	[illegible]	13½-14½	[illegible]	3-3⅜
One year	12¾-13½	[illegible]	[illegible]	[illegible]	1⅛-1¼	[illegible]	[illegible]	14-15	[illegible]	3⅛-3½

The following nominal rates were quoted for London dollar certificates of deposit: One month 8.85-8.95 per cent; three months 9.05-9.15 per cent; six months 9.35-9.45 per cent; one year 9.35-9.45.

Long-term Eurodollar deposits: Two years 9[illegible] per cent; three years 9[illegible] per cent; four years 9[illegible] per cent; five years 9[illegible] per cent nominal closing rate. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two days' call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

U.K. CONVERTIBLE STOCKS 22/9/78

Statistics provided by data STREAM International

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.‖	Income Diff.♡	Cheap(+) Dear(−)◊ Current
Assoc. Paper 9½pc Cv. 85-90	1.40	115.00	200.0	76-79	8.4	7.0	−7.3	−10 to 2	5.1	4.6	−0.4	+ 6.8
Bank of Ireland 10pc Cv. 91-96	8.22	200.00	47.6	77-79	5.0	1.3	−4.1	− 5 to 3	11.0	4.7	−3.0	+ 1.1
British Land 12pc Cv. 2002	7.71	174.00	333.3	80-97	7.1	6.3	14.7	1 to 24	0.0	95.1	62.7	+48.0
English Property 6½pc Cv. 98-03	8.07	88.00	234.0	76-79	7.3	7.5	−10.5	−11 to −4	8.4	0.0	−8.5	+ 1.9
English Property 12pc Cv. 00-05	15.31	86.00	150.0	76-84	13.7	13.8	36.5	−200 to 49	30.8	44.0	20.9	−15.6
Hanson Trust 6½pc Cv. 88-93	4.51	83.00	57.1	76-80	7.8	8.5	0.2	− 1 to 12	8.3	6.0	−2.8	− 3.0
Hewden-Stuart 7pc Cv. 1995	0.04	360.00	564.5	75-79	1.9		−1.9	−30 to −2	9.2	3.4	−1.6	+ 0.3
Pentos 15pc Cv. 1985	1.03	170.00	166.7	76-81	9.0	4.3	−2.9	−12 to −2	28.8	32.6	2.2	+ 5.0
Slough Estates 10pc Cv. 87-90	5.50	171.00	125.0	78-87	5.9	1.5	11.2	5 to 16	32.4	54.4	14.3	+ 3.1
Tozer, Kemsley 8pc Cv. 1981	0.78	94.00	153.9	74-79	8.4	10.0	1.8	1 to 14	7.3	3.7	−3.9	− 5.7
Wilkinson Match 10pc Cv. 83-88	11.10	95.00	40.0	76-83	10.8	10.9	37.3	24 to 40	28.8	38.1	13.3	−23.9

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ‖ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

STOCK EXCHANGE REPORT

Ford militant mood on pay unsettles stock markets

30-share down 7.1 more at 518.6—½-point fall in Gilts

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Sep. 4	Sep. 14	Sep. 15	Sep. 26
Sep. 18	Sep. 28	Sep. 29	Oct. 10
Oct. 2	Oct. 12	Oct. 13	Oct. 24

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

The Ford workers set the first real challenge to current year pay guidelines and underlined the difficulty the Government will have in getting its policies accepted, a prospect which unsettled stock markets yesterday. Initial mark-downs occurred in equities and British Funds but, although both closed at the lowest of the day, it was only among short-dated Gilts that any notable selling pressure developed.

Dealers' precautionary tactics took a couple of pence off leading industrials at the opening but during the morning the fall was contained until talk began to circulate of several large put-throughs or deals being in the offing. While concerted efforts were made to ascertain the companies involved, general trade dried up completely.

Eventually it transpired that 2m Midland Bank shares, 1m Standard Chartered, 1m Boots and 4m United Builders' Merchants had indeed been either put through or placed with various institutions in common with 3m Molins. These gave further examples of the funds still available for investment in industrial shares but the view predominated that deals such as yesterday's are steadily reducing the total.

In the later stages, the market became noticeably unwilling and, with dealers not prepared to carry stock over the weekend, small sales made an impression. A fall of 3.7 in the FT Ordinary share index at noon was thus extended to a loss of 7.1 at the close of 518.6 for a reduction on the week of 11.8.

Gilt-edged securities were also affected by a reluctance of buyers. On fears of renewed upward pressure developing on U.S. interest rates, the shorts were especially prone to persistent small selling and in uncertain conditions, sustained falls extending to ¾. Business was sparse again in the mediums and longs and the losses were limited to ⅜.

Corporations followed the trend of the main funds and quotations were no worse after the announcement of Southwark's £25m issue of 1987 stock.

A rally in the investment currency premium to 80¾ per cent, which merely reflected the early setback in sterling, faded following revived institutional and arbitrage offerings. Finally, the rate closed a net ¾ lower at 88 per cent for a fall on the week of 7¾ points. Yesterday's SE conversion factor was 0.6996 (0.6890).

The fresh setback in the equity leaders again tended to restrict activity in the Traded Option market; contracts amounted to 505 compared with 689 on Thursday. Nevertheless, there was a reasonably lively interest in ICI and Grand Metropolitan Hotels which recorded 134 and 101 deals respectively.

Banks down

Leading Banks took on a decidedly dull appearance, but selling was only light. NatWest reacted 10 to 268p, while Lloyds, 260p, and Barclays, 348p, lost 8 and 6 respectively. Overseas issues to give ground included Standard Chartered, 425p, and Hongkong and Shanghai, 296p, down 10 apiece.

Insurances also gave ground. Royal lost 10 to 363p and GRE 4 more to 240p, but Hogg Robinson, up 4 at 215p, firmed in Brokers following the chairman's encouraging statement at the annual meeting.

News items were usually responsible for notable movements in Buildings. Bambergers were quickly marked 30 higher at 85p following the announcement of an approach that may lead to an offer. Magnet and Southerns firmed 7 to 232p on the chairman's optimistic remarks, but UBM shed 3 at 71p in response to the acquisition of Hodge Group's shareholding in a group of companies which operate the main Ford dealerships in Cardiff. Marley eased 2 to 81p on the announcement that the Price Commission is to investigate the proposed price increases of concrete roof tiles. Ahead of Monday's interim results, Tarmac eased 4 to 146p, but Brown and Jackson found renewed support and added a couple of pence to 256p for a gain on the week of 30. Richard Costain attracted buyers and hardened 4 to 256p and, in response to a return to profit at the half-way stage, Southern Constructions firmed a penny to 9p.

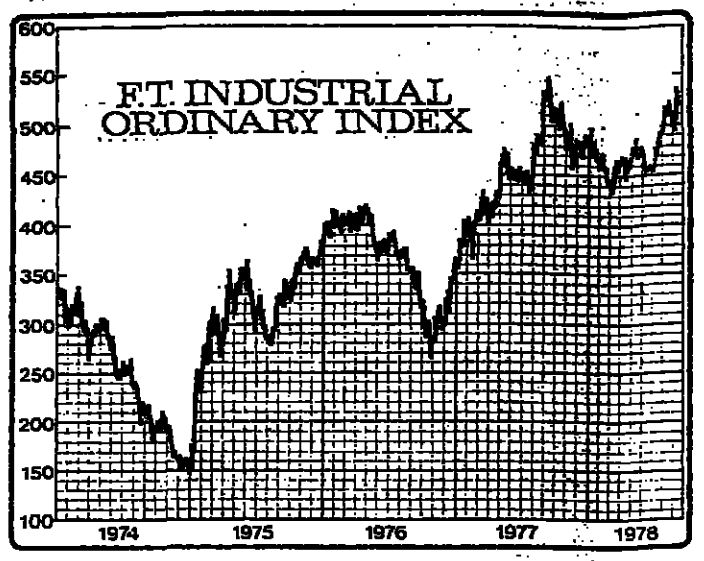
ICI were marked 4 lower at the outset, and with no real selling pressure, closed that much cheaper at 394p. Fisons, steady for most of the session awaiting Monday's interim results, shed 3 to 385p in the late trade. Elsewhere, Alida Packaging were re-quoted at 146p and closed at 145p compared with the suspension price of 113p following the agreed £4.6m cash bid from Rockware, down 6½ at 147½p.

Stores dull

Stores failed to escape the general downward drift, with Burton "A," 161p and Gussies "A," both recording a loss of 4 in the leaders. Currys gave up 5 to 206p and Dixons Photographic 4 to 132p while, in Mail Orders, Empire, 179p, and Grattan, 142p, lost 3 apiece. Against the trend, N. Brown opened higher at 46p following overnight demand and improved further to 47p for a gain of 11 on the day.

Secondary issues provided the main movements in listless Electricals. Telefusion were notably dull at 39p, down 4, on disappointment with the preliminary figures, while light profit-taking clipped 7 from United Scientific at 360p. A. F. Bulgin "A", however, rose 3 to 31p on the first-half profits increase.

Activity in the Engineering sector was at a fairly low ebb. Lack of support and occasional selling made for dullness in the leaders. Tubes drifted off to close 6 cheaper at 402p, while falls of 4 were marked against John Brown, 474p, and GKN, 290p. Elsewhere, Wadkin continued to reflect satisfaction with the interim results and improved 2 more to 136p, but Davy International, down 4 at 293p, failed to benefit from news of the proposed £55m U.S. acquisition. Fresh scattered buying interest was shown in Acrow "A," which advanced 3 further to 111p, while Chemring continued to reflect favourable Press mention and, in a thin market, gained 3 to 111p for a rise of 37 on the week. R. Cartwright gained 4 to 71p, while Wheway Watson, 2 harder at 22p, were noteworthy in smaller-priced issues. On the other hand, Press comment on the half-yearly results prompted dullness in Delta Metal, 3 off at 78p, and the half-yearly setback caused late weakness in Bestwood, 11 down at 133p.



News that the proposed merger with Allied Breweries was not to be referred to the Monopolies Commission created a good business in J. Lyons which rose to 150p before closing 8 better on balance at 148p to match the share-exchange offer terms with Allied finishing 4 cheaper at 80½p. Other Foods were easier where changed. Still reflecting disappointment with the interim results, Rowntree Mackintosh lost 5 to 420p for a fall on the week of 22.

City Hotels remained on offer, losing 4 to 133p for a two-day reaction of 9 on disappointment with the interim results. Savoy Hotel A, at 82p, gave up Thursday's rise of 2 which followed the announcement that Grand Metropolitan had bought 6.5m of the company's shares from Trafalgar House.

Hoskins and Horton up

Hoskins and Horton came to the fore in the late trading, rising 17 to 180p on news of the bid approach from Talbex. Elsewhere in the Industrial sector, ICL moved up 12 to 414p in response to the company's moves to strengthen the top management structure. Randalls Group came back 5 further to 95p which is still 17 up on the week following the possible bid from Ferguson Industrial Holdings. J. and J. Dyson issues came in for support, with both the ordinary and "A" shares improving 4 to 70p and 69p respectively. Speculative demand continued for Bentima, up 2 for a leap of 17 on the week at 41p. Rank Organisation gave up 5 at 276p. Metal Box were outstanding at 352p, down 12, on scattered offerings and lack of support.

Motors and Distributors had an easier bias. Harold Perry remained on offer, losing 5 to 125p for a two-day reaction of 12 on the interim report. Lucas Industries fell 8 to 320p, while similar losses were seen in ERF, 111p, and Heron Motor, 125p. Following the recent advance on the interim results, Rolls-Royce eased 2½ to 117p.

In Newspapers, Daily Mail A firmed 4 to 365p, but further consideration of the interim results left United 8 down at 395p.

International Thomson Organisation cheapened 5 at 305p, with the convertible preference hardening 3 to 249p. Elsewhere, Gordon and Gotch put on 5 to 85p.

Properties succumbed to the easier trend after recent resistance. Land Securities and Stock Conversion were both marked 4 lower at 246p and 272p respectively, while English eased 2½ to 39½. British Land gave up 1½ at 44p on news of the £4.2m acquisition of Kingsmere Investment. Hammerson A, 635p, and Haslemere, 254p, cheapened 7 and 8 respectively.

Oils easier

Easier from the outset, British Petroleum closed 6 down at the lowest level of the day of 910p and Shell shed the same amount to 573p. Some 20 down initially following a broker's adverse circular, Siebens (U.K.) staged a rally which left the close just 4 down at 366p, but still 54 lower on the week.

New York and Gartmore Investment improved 6 to 46p in response to the cash bid from Bricomin Investments, a wholly-owned subsidiary of British and Commonwealth. Other Investment Trusts were quiet and little changed. Financials had opposing movements in stockjobbers Smith Bros., 3 easier at 63p, and Suez Finance, four points better at £51. Hong Kong-based issues reflected local weakness with Haw Par losing 4 to 62p and Jardine Securities 12 to 117p.

Shipping closed on a dull note with P and O Deferred finishing 3 easier at 95p and Lofs a penny cheaper at 35½. Elsewhere Milford Docks responded to renewed speculative interest with a rise of 4 to a 1978 peak of 104p for a week's rise of 14.

Following the announcement of the bid from William Baird, dealings were resumed in Dawson International which were marked up to 193p compared with the pre-suspension price of 156p, the former resumed trade at 180p, down 8 on the suspension level. John Haggas, which was involved in merger talks with Dawson and recently suspended at 135p also returned to trade and closed at 147p. Lister lost 3 to 37p on further consideration of the results.

Overseas advices coupled with lack of interest in London caused Rubbers to close widely lower. Highlands fell 6 to 112p, while losses of 7 were recorded in Guthrie, 353p, and Castlefield, 258p.

RTZ move lower

Rio Tinto-Zinc extended Thursday's fall with a decline of 4 to 237p in a depressed domestic Financials market, overshadowed by the easiness of local industrial issues. Trading in RTZ was moderately active and after an early mark down, some buying emerged to take them off the bottom.

Consolidated Gold Fields and Charter drifted, down 3 to 185p and down 5 to 155p respectively. Selection Trust attracted scant attention after the interim results and closed unchanged at 488p.

The general tone among South African Financials was also lower, partly as a result of the flat investment dollar premium. But De Beers slipped 12 to 424p on London selling, only some of which was absorbed by New York, linked to the uncertainty over future events in Namibia (South West Africa).

The South African political situation held back buyers of Golds and prices slipped away through lack of support rather than on any aggressive selling. Business was modest with some professional closing of positions, and with the market tending to drift, the Gold Mines Index, influenced by the movement of the dollar premium, fell 4.7 to 178.4.

The bullion, though relatively steady, offered no stimulus. It closed $1 lower at $214.875 an ounce.

Price falls were confined to a maximum of 50p among the heavily-priced issues, as in West Dries at £25¼ and Randfontein at £38. Winkelhaak were 22 lower at 701p, while President Brand declined ¼ to £10.

Australians were quieter than in recent sessions. What activity there was remained centred on the diamond issues but price changes were limited by the premium. Magnet, Western Queen and Lennard Oil were steady at 40p, 30p and 35p respectively, while Haoma and North West Mining both hardened 2 to 60p and 43p.

Uraniums continued depressed on uncertainties about Aboriginal attitudes in the Northern Territory. Pancontinental fell ¼ to £10¼. Peko-Wallsend lost 13 to 523p and EZ Industries declined 5 to 260p.

Tins tended easier, helped by the lower premium and the availability of stock from the Far East. In the domestic issues, Saint Piran and South Crofty met small selling and eased 2 to a common price of 58p.

FINANCIAL TIMES STOCK INDICES

—	Sept. 22	Sept. 21	Sept. 20	Sept. 19	Sept. 18	Sept. 15	A year ago
Government Secs.	70.55	70.81	70.71	70.57	70.58	70.58	76.30
Fixed Interest	72.30	72.58	72.17	72.10	72.14	72.12	76.23
Industrial	518.6	525.7	529.1	525.2	530.8	530.4	504.7
Gold Mines	178.4	183.1	181.3	182.2	181.9	188.5	149.8
Ord. Div. Yield	5.18	5.13	5.10	5.14	5.09	5.09	5.27
Earnings Y'ld % (full)*	14.59	14.54	14.45	14.57	14.43	14.54	15.50
P/E Ratio (net) (*)	9.01	9.11	9.16	9.09	9.18	9.09	8.80
Dealings marked	4,810	5,012	5,164	5,565	5,474	6,357	3,997
Equity turnover £m	—	91.89	77.84	72.12	84.48	114.80	92.45
Equity bargains total	—	16,833	17,097	16,925	19,423	22,478	16,453

10 am 522.0. 11 am 522.2. Noon 522.0. 1 pm 520.8. 2 pm 520.4. 3 pm 519.5.

Latest Index 01-246 8026.

* Based on 52 per cent corporation tax. † Nil=8.38.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1978 High	1978 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	78.58 (5/1)	68.79 (6/6)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	81.27 (9/1)	70.73 (6/6)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	535.5 (14/9)	433.4 (2/3)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	206.6 (14/5)	130.3 (6/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Sept. 22	Sept. 21
—Daily		
Gilt-Edged	139.7	146.4
Industries	176.8	185.5
Speculative	39.5	35.6
Totals	102.5	114.1
5-day Average		
Gilt-Edged	137.2	137.3
Industrials	196.6	209.9
Speculative	36.2	35.9
Totals	118.5	125.1

LONDON TRADED OPTIONS

Option	Ex'rcise price	October Closing offer	October Vol.	January Closing offer	January Vol.	April Closing offer	April Vol.	Equity close
BP	850	70	2	98	—	120	—	911p
BP	900	35	—	59	—	87	3	"
BP	950	13½	6	39	1	61	1	"
Cons. Gold	160	29	—	32	5	37	—	185p
Cons. Gold	180	10	5	17½	20	25	—	"
Cons. Gold	200	2½	—	9½	—	16	1	"
Courtaulds	120	3½	—	7	—	13	2	115p
Courtaulds	130	2	—	4	5	7	—	"
GEC	280	54	5	66	5	77	2	330p
GEC	300	35	25	48	—	63	2	"
GEC	330	12	—	32	—	44	6	"
GEC	360	4½	—	19	17	29	2	"
Grand Met.	100	16	10	24	—	26	—	115p
Grand Met.	110	8	2	14½	—	17	5	"
Grand Met.	120	2½	75	8½	7	11	3	"
ICI	330	72	—	82	—	84	4	394p
ICI	360	42	—	52	5	61	15	"
ICI	390	16½	38	30	10	40	—	"
ICI	420	4½	19	18	20	24	23	"
Land Secs.	200	47	—	50	—	57	4	245p
Land Secs.	220	27	—	32	7	40	15	"
Land Secs.	240	11	27	19	—	27	5	"
Marks & Sp.	70	19	5	22	5	24	—	86p
Marks & Sp.	80	10	38	13½	31	17	—	"
Marks & Sp.	90	4	8	9	5	12	1	"
Marks & Sp.	100*	2	—	4	—	8½	6	"
Shell	500	84	—	95	1	108	—	576p
Shell	550	38	1	58	5	68	—	"
Shell	600	12	16	29	—	39	—	"
Totals			273		147		99	
		November		February		May		
BTR Intl.	70	8	—	11	—	12½	33	75p
Boots	220	11	15	18	—	25	—	214p
EMI	140	29	12	33	—	39	—	161p
EMI	180	6½	—	12	6	17	—	"
RTZ	240	14	—	25	10	33	—	237p
RTZ	260	6	—	13	—	22	10	"
RTZ	280	3	—	8	—	12½	—	"
Totals			27		16		43	

NEW HIGHS AND LOWS FOR 1978

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1978.

NEW HIGHS (69)

BUILDINGS (5)
Bambergers; I.D.C.; Brown and Jackson; Lawrence (W.); Brownlee

CHEMICALS (2)
Alida Packaging; Revertex

STORES (7)
Brown (N.); S. & U. Stores 25pcPf.; Foster Bros.; Status Discount; Midland Educational; Vantona; Rosgil

ELECTRICALS (6)
Bulgin A; Petbow Hldgs.; Fidelity Radio; Rediffusion; Newman Inds.; Unitech

ENGINEERING (12)
Acrow; Clifford (C.); Do. A; Drake and Scull; Birmingham Mint; Edbro; Braham Millar; Ransomes Sims; Cartwright (R.); W.G.I.; Chemring; Wheway Watson

FOODS (1)
Lyons (J.)

INDUSTRIALS (20)
Bentima; ICL; Berwick Timpo; Leadenhall Sterling; Bodycote Intl.; Man. Ship Canal; Dobson Park; Nathan (B. and I.); Dyson (J. and J.); Relyon PBWS; Do. A; Russell (A.); Elect. Ind. Sec.; Stag Furniture; Hardiborne; Stonehill; Hoskins and Horton; Sunlight Services; Hunting Assoc.; Watsham's

PAPER (1)
Bemrose

SHIPPING (1)
Milford Docks

TEXTILES (7)
Beckman (A.); Haggas (J.); British Mohair; Textured Jersey; Dawson Intl.; Tricoville; Do. A

TRUSTS (5)
Camellia Invs.; N.Y. and Gartmore; F. and C. Eurotrust; Scottish & European; Keystone

OILS (1)
KCA

RUBBERS (1)
London Sumatra

NEW LOWS (4)

ELECTRICALS (2)
Motorola; Rotaflex (G.B.)

INDUSTRIALS (1)
Hestair

OILS (1)
Texaco 4¾pc Conv.

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1978 high	1978 low
ICI	£1	13	394	−4	421	328
Boots	25p	10	214	−3	237	184
Shell Transport	25p	10	573	−7	602	484
BP	£1	9	910	−6	926	720
GEC	25p	9	330	−4	338	233
Lyons (J.)	£1	8	148	+8	150	72
Allied Breweries	25p	7	80½	−4	94	78
BATs Defd.	25p	7	275	−3	304	227
Beecham	25p	7	730	−3	743	583
Imperial Group	25p	7	83	−½	89	71½
RTZ	25p	7	237	−4	258	164
Grand Met.	50p	6	115	−1	121	87
GUS "A"	25p	6	326	−4	340	256
House of Fraser	25p	6	169	−3	177	120
Marks & Spencer	25p	6	86	−2	94	67½

The above list of active stocks is based on the number of bargains recorded yesterday in the Official List and under Rule 163(1) (e) and reproduced today in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1978 high	1978 low
ICI	£1	76	394	−21	421	328
BP	£1	64	910	+2	926	720
GEC	25p	54	330	−2	338	233
BATs Defd.	25p	51	275	−3	304	227
Shell Transport	25p	49	573	−15	602	484
RTZ	25p	47	237	−12	258	164
Barclays Bank	£1	44	348	−14	368	296
De Beers Defd.	R0.05	42	424	−63	488	285
Marks & Spencer	25p	41	86	−3	94	67½
Beecham	25p	40	730	−3	743	583
Royal Insurance	25p	38	363	−15	425	343
Distillers	50p	37	205	−8	215	163
GUS "A"	25p	36	326	−8	340	256
Northern Eng'g.	25p	36	138½	+2½	142	84
Burmah Oil	£1	35	74	−5	89	42

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	—	68	8	134	188	138
Corpns. Dom. and Foreign Bonds	6	7	49	33	24	253
Industrials	208	483	847	1,452	1,579	4,663
Financial and Prop.	23	196	289	436	663	1,441
Oils	10	13	13	41	54	85
Plantation	1	14	16	24	48	83
Mines	11	83	34	133	292	215
Recent Issues	7	17	7	58	59	68
Totals	266	881	1,263	2,303	2,827	6,946

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Sep. 12	Sep. 25	Dec. 7	Dec. 19
Sep. 26	Oct. 9	Dec. 28	Jan. 9
Oct. 10	Oct. 23	Jan. 11	Jan. 23

For rate indications see end of Share Information Service

Money was given for the call in Daejan, Spillers, Montagu Boston Warrants, Levex, Sears, UDT, First National Finance, English Property and Gill and Duffus. Puts were done in Gripperrods and J. Lyons, while doubles were arranged in Spillers and Royco.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
55	F.P.	31/8	87	71	Carters Superfoods	84	−1	b2.41	3.1	4.3	7.5
**	F.P.	—	12¾	4	Emray	10					
115	F.P.	8/9	169	136	Jones (E.) (Jew'lrs) 20p	165	+1	45.5	2.1	5.0	14.1
**	F.P.	—	36½	34	Manor Nat Grp. Motrs	34	−2	h2.14	1.5	9.4	11.8

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price	+ or −
10p	—	13/10	10p	10p	Audiotronic 12% Conv. Prf.	14p	−½
£99¾	F.P.	—	100	99¼	Camden Var. Rate Red. 1983	99¼	......
£100	£50	15/12	51⅛	50¼	Do. 12¼% Red. 1985	51¼	−¼
		—	107½	104½	Cowan De Groot 10½% Prof.	107p	+1
99p	nil	29/9	3½pm	2pm	Hill & Smith 14% 1st Deb. 2000-03	2pm	−¼
£100	F.P.	8/12	101¾	101	Howard & Wyndham 12% Uns. Ln. 86-91	101¾	......
**	F.P.	—	249	230	Intl. Thomson Conv. Red. Pref. 25p	249	+5
£99½	F.P.	—	99⅝	99⅛	Kensington and Chelsea Var. Rate 1983	99	......
**		3/11	81	78	Latham James 8% Cum. Pref.	81	......
£100	F.P.	—	99¾	98⅞	Northampton Var. Rate Red. 1985	99	+⅛
£99¾	F.P.	—	99½	98⅞	Strathclyde Var. Rate 1983	98¼	......
£99¾	F.P.	—	99⅞	98½	Wandsworth Variable 1985	99¼	......

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p	+ or −
66	F.P.	19/9 27/10	75	70	Aaronson Bros.	72	+1
285	F.P.	22/9 27/10	360	327	B.T.R.	334	−1
328	Nil	— —	40	32	Bank of Montreal	35	−1
390c	Nil	22/9 13/10	27pm	20pm	Barlow Rand	20pm	−5
50	F.P.	30/8 24/11	74	67	Blackwood Hodge	67	−2
44	Nil	29/9 10/11	11pm	7pm	British Printing	11pm	......
118	F.P.	21/9 3/11	145	135	Chubb	142	−1
FF110	Nil	— —	36pm	30pm	Cie. Fr. Petroles	30pm	......
266	Nil	— —	41pm	35pm	Dalgety	40pm	−1
65	F.P.	22/9 13/10	80	74	Donda	76	−1
100	Nil	— —	10pm	6pm	Dufay Bitumastic 10% Cnv. Ln. '89-03	6	−1½
65p	Nil	— —	¼pm	Nilpm	Globe and Phoenix	¼pm	......
75	Nil	29/9 13/10	10pm	6pm	Hill & Smith	6pm	......
65	Nil	— —	24pm	19pm	Howden Group	22pm	−1½
74	Nil	25/9 27/10	92	84	Initial Services	92	......
10	F.P.	— —	12½	10½	††Kunick Holdings	12½	+1
77	F.P.	11/9 27/10	90pm	82pm	Lex Service	88½	−1½
85	Nil	— —	21pm	17pm	Lon. & Midland Ind.	18pm	......
94	F.P.	21/8 4/10	117	104	Property Partnerships	110	......
40	Nil	29/9 27/10	40pm	35pm	Ratners (Jewellers)	36pm	−2
4	Nil	— —	5pm	3pm	Reliance Knitwear	4pm	+1
200	Nil	25/9 8/11	114pm	95pm	Ricardo Eng.	114pm	......
25	Nil	9/10 6/11	14	10½	Wearwell	10½	−1½

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. u Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. † Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. †† Minimum tender price. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

BASE LENDING RATES

A.B.N. Bank	10 %	■ Hambros Bank	10 %
Allied Irish Banks Ltd.	10 %	■ Hill Samuel	§10 %
American Express Bk.	10 %	C. Hoare & Co.	†10 %
Amro Bank	10 %	Julian S. Hodge	11 %
A P Bank Ltd.	10 %	Hongkong & Shanghai	10 %
Henry Ansbacher	10 %	Industrial Bk. of Scot.	10 %
Banco de Bilbao	10 %	Keyser Ullmann	10 %
Bank of Credit & Cmce.	10 %	Knowsley & Co. Ltd.	12 %
Bank of Cyprus	10 %	Lloyds Bank	10 %
Bank of N.S.W.	10 %	London Mercantile	10 %
Banque Belge Ltd.	10 %	Edward Manson & Co.	11½ %
Banque du Rhone	10½ %	Midland Bank	10 %
Barclays Bank	10 %	■ Samuel Montagu	10 %
Barnett Christie Ltd.	11 %	■ Morgan Grenfell	10 %
Bremar Holdings Ltd.	11 %	National Westminster	10 %
Brit. Bank of Mid. East	10 %	Norwich General Trust	10 %
■ Brown Shipley	10 %	P. S. Refson & Co.	10 %
Canada Perm't Trust	10 %	Rossminster	10 %
Capitol C & C Fin. Ltd.	10 %	Royal Bk. Canada Trust	10 %
Cayzer Ltd.	10 %	Schlesinger Limited	10 %
Cedar Holdings	10½ %	E. S. Schwab	11½ %
■ Charterhouse Japhet	10 %	Security Trust Co. Ltd.	11 %
Choulartons	10 %	Shenley Trust	11 %
C. E. Coates	10 %	Standard Chartered	10 %
Consolidated Credits	10 %	Trade Dev. Bank	10 %
Co-operative Bank	*10 %	Trustee Savings Bank	10 %
Corinthian Securities	10 %	Twentieth Century Bk.	11 %
Credit Lyonnais	10 %	United Bank of Kuwait	10 %
The Cyprus Popular Bk.	10 %	Whiteaway Laidlaw	10½ %
Duncan Lawrie	10 %	Williams & Glyn's	10 %
Eagil Trust	10 %	Yorkshire Bank	10 %
English Transcont.	11 %		
First Nat. Fin. Corp.	11½ %		
First Nat. Secs. Ltd.	11 %		
■ Antony Gibbs	10 %		
Greyhound Guaranty	10 %		
Grindlays Bank	‡10 %		
■ Guinness Mahon	10 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month deposits 7½%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 7¼%, and over £25,000 7½%.
‡ Call deposits over £1,000 7%.
§ Demand and deposits 7½%.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS and SUB-SECTIONS (Figures in parentheses show number of stocks per section.)	Fri., Sept. 22, 1978 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net) Corp. Tax 52%	Thur. Sept. 21 Index No.	Wed. Sept. 20 Index No.	Tues. Sept. 19 Index No.	Mon. Sept. 18 Index No.	Year ago (approx.) Index No.	1978 High	1978 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (171)	252.60	−0.8	15.34	4.93	8.96	254.63	255.01	254.05	255.66	209.57	256.28 (14/9)	188.95 (2/3)	256.28 (14/9/78)	50.71 (13/12/74)
2	Building Materials (27)	219.92	−0.8	16.02	5.10	8.61	221.70	221.79	220.91	221.95	193.03	226.68 (22/8)	166.30 (3/3)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (28)	415.22	−0.4	17.22	3.77	8.47	416.93	413.26	412.81	414.65	326.95	419.51 (14/9)	289.35 (6/3)	419.51 (14/9/78)	71.48 (2/12/74)
4	Electricals (14)	568.14	−0.9	12.76	3.26	10.84	573.58	578.70	572.84	577.32	439.87	578.70 (20/9)	404.47 (2/3)	578.70 (20/9/78)	84.71 (25/6/62)
5	Engineering Contractors (14)	380.62	−0.3	17.45	5.72	7.77	381.65	380.22	381.91	384.53	305.08	384.53 (18/9)	270.95 (6/3)	384.53 (18/9/78)	64.39 (2/1/75)
6	Mechanical Engineering (72)	200.62	−0.7	16.41	5.44	8.13	202.03	202.21	202.09	203.16	168.16	204.75 (14/9)	149.87 (2/3)	204.75 (14/9/78)	45.43 (6/1/75)
8	Metals and Metal Forming (16)	179.52	−1.3	14.94	7.91	9.27	181.80	181.73	181.23	182.91	163.03	182.91 (18/9)	154.22 (27/2)	182.91 (18/9/78)	49.65 (6/1/75)
	CONSUMER GOODS														
11	(DURABLE) (53)	219.75	−1.1	15.89	4.82	8.77	222.28	223.27	221.27	224.46	197.56	226.55 (13/9)	173.63 (3/3)	227.78 (21/4/72)	38.39 (6/1/75)
12	Lt. Electronics, Radio TV (16)	268.99	−1.0	13.92	3.78	10.05	271.62	273.68	270.82	275.93	237.97	280.21 (13/9)	209.01 (3/3)	280.21 (13/9/78)	42.85 (13/12/74)
13	Household Goods (12)	188.36	−0.1	15.93	6.01	8.66	188.47	188.34	189.02	190.09	177.62	190.17 (14/9)	160.54 (6/3)	263.22 (4/5/72)	62.92 (17/12/74)
14	Motors and Distributors (25)	132.17	−1.6	19.11	6.25	7.26	134.39	134.46	133.20	134.42	120.66	135.65 (22/8)	104.68 (2/3)	170.59 (15/1/69)	19.91 (6/1/75)
	CONSUMER GOODS														
21	(NON-DURABLE) (173)	220.11	−1.1	15.11	5.57	8.92	222.53	223.08	222.03	224.82	196.68	228.23 (14/9)	179.46 (2/3)	228.23 (14/9/78)	61.41 (13/12/74)
22	Breweries (14)	231.08	−2.2	15.05	6.08	9.14	236.35	236.80	235.21	238.50	205.02	241.57 (8/5)	204.04 (27/2)	281.87 (28/11/72)	69.47 (13/12/74)
23	Wines and Spirits (6)	288.90	−1.7	14.75	4.98	10.12	293.76	296.32	292.67	297.84	236.24	301.24 (14/9)	229.85 (2/3)	301.24 (14/9/78)	78.88 (13/12/74)
24	Entertainment, Catering (17)	276.89	−0.7	14.66	6.28	9.96	278.95	279.76	277.17	281.18	244.57	281.53 (14/9)	219.62 (2/3)	329.99 (12/12/72)	54.83 (9/1/75)
25	Food Manufacturing (20)	216.65	−0.5	17.48	5.04	7.58	217.79	217.87	218.93	220.71	200.94	223.85 (14/9)	175.37 (27/2)	223.85 (14/9/78)	59.67 (11/12/74)
26	Food Retailing (15)	232.94	−1.0	13.04	4.42	10.63	235.26	235.32	233.97	235.94	214.65	237.92 (14/9)	176.53 (3/3)	244.41 (27/10/77)	54.25 (11/12/74)
32	Newspapers, Publishing (12)	404.25	−0.8	19.31	5.96	7.31	407.69	408.44	406.44	414.08	340.87	421.75 (14/9)	269.59 (2/3)	421.75 (14/9/78)	55.08 (6/1/75)
33	Packaging and Paper (15)	149.96	−1.0	17.31	7.13	7.61	151.47	151.93	150.75	152.18	136.79	155.65 (14/9)	119.11 (15/2)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (40)	207.37	−1.5	10.54	4.38	13.88	210.51	211.69	209.46	213.02	186.41	218.54 (13/9)	165.17 (2/3)	218.54 (13/9/78)	52.63 (6/1/75)
35	Textiles (25)	185.06	+0.6	17.81	7.53	7.30	184.00	184.50	184.24	186.03	168.90	191.90 (12/5)	160.85 (2/3)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	250.14	−0.8	22.01	7.50	5.38	252.22	251.11	252.61	254.09	219.24	266.50 (23/8)	214.88 (15/2)	339.16 (2/8/72)	94.34 (13/6/62)
37	Toys and Games (6)	121.78	−1.3	18.61	5.24	6.28	123.37	123.54	123.39	124.87	109.52	125.21 (14/9)	93.79 (27/2)	135.72 (16/1/70)	20.92 (6/1/75)
41	OTHER GROUPS (98)	215.97	−0.9	14.40	5.57	8.95	217.86	218.36	216.80	219.10	201.29	223.24 (14/9)	173.08 (3/3)	223.24 (14/9/78)	58.63 (6/1/75)
42	Chemicals (19)	300.81	−0.9	15.13	6.28	8.61	303.68	304.78	302.19	305.77	275.60	315.28 (14/9)	238.69 (2/3)	315.28 (14/9/78)	71.20 (1/12/74)
43	Pharmaceutical Products (7)	285.78	−0.5	10.05	3.60	12.25	287.15	287.69	285.76	288.16	0.00	291.13 (14/9)	228.41 (3/3)	291.13 (14/9/78)	228.41 (3/3/78)
44	Office Equipment (6)	143.63	−1.7	16.92	5.29	7.05	146.05	147.17	147.17	148.98	129.19	150.75 (13/9)	117.48 (3/3)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping (10)	436.03	−1.1	14.26	6.99	8.96	440.69	440.27	439.09	440.14	515.83	483.01 (6/1)	396.09 (6/7)	539.68 (18/5/77)	90.80 (29/6/62)
46	Miscellaneous (56)	230.65	−0.8	16.01	5.92	8.29	232.63	232.76	230.80	233.57	205.39	236.56 (14/9)	178.47 (3/3)	258.83 (2/5/72)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (495)	234.44	−1.0	15.05	5.35	8.93	236.72	237.27	235.99	238.50	208.14	241.43 (14/9)	186.02 (2/3)	241.43 (14/9/78)	59.01 (13/12/74)
51	Oils (5)	511.89	−0.9	13.65	3.93	7.95	516.56	513.39	510.62	514.93	525.12	523.72 (23/8)	417.98 (2/3)	543.20 (15/9/77)	87.23 (29/5/62)
59	500 SHARE INDEX	257.82	−1.0	14.85	5.14	8.77	260.30	260.59	259.19	261.86	234.04	265.03 (14/9)	205.42 (2/3)	265.03 (14/9/78)	63.49 (13/12/74)
61	FINANCIAL GROUP (100)	171.47	−1.5	—	5.67	—	174.00	174.42	174.66	176.30	163.38	179.39 (9/8)	153.85 (27/2)	241.41 (11/4/72)	55.88 (13/12/74)
62	Banks (6)	190.22	−2.1	24.57	6.16	6.10	194.32	195.15	196.00	198.71	173.45	204.36 (23/1)	171.58 (27/2)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	217.58	−0.2	—	7.95	—	218.06	218.30	218.30	218.49	223.35	228.33 (4/1)	185.20 (13/4)	293.13 (2/5/72)	81.40 (10/12/74)
64	Hire Purchase (5)	160.44	−1.1	15.18	5.14	8.69	162.29	164.00	163.05	165.85	163.60	170.55 (12/1)	136.52 (17/4)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (10)	141.24	−1.4	—	6.58	—	143.26	143.10	143.56	145.49	135.28	157.59 (9/8)	124.97 (17/4)	194.46 (15/3/72)	44.88 (2/1/75)
66	Insurance (Composite) (7)	128.72	−1.4	—	6.81	—	130.59	132.14	132.13	133.33	137.29	143.46 (6/1)	118.23 (7/7)	161.72 (6/10/77)	43.96 (13/12/74)
67	Insurance Brokers (10)	348.37	−0.3	13.56	4.59	10.55	349.54	347.31	349.49	352.28	347.00	372.27 (11/8)	301.20 (6/2)	372.27 (11/8/78)	65.86 (16/12/74)
68	Merchant Banks (14)	85.00	−1.2	—	5.72	—	85.99	86.29	87.02	87.07	80.46	87.48 (15/9)	71.00 (27/2)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (31)	265.66	−1.2	3.24	2.85	53.56	268.78	266.90	265.64	264.79	222.10	268.78 (21/9)	210.03 (14/4)	357.40 (9/11/73)	56.01 (20/4/65)
70	Miscellaneous (7)	112.35	−1.8	22.48	7.44	5.76	114.35	114.01	114.82	114.94	101.55	117.64 (23/8)	99.61 (27/2)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (50)	232.03	−0.4	3.00	4.47	33.31	232.84	233.45	233.74	236.52	198.22	243.92 (10/8)	176.48 (6/3)	245.79 (25/4/72)	71.63 (13/12/74)
81	Mining Finance (4)	107.93	−1.6	16.35	6.60	7.45	109.72	111.04	110.03	112.71	96.86	115.20 (12/9)	85.39 (6/3)	175.90 (28/4/69)	66.31 (30/9/74)
91	Overseas Traders (19)	329.47	−0.4	14.88	6.98	8.42	330.86	330.13	328.62	330.38	286.98	337.68 (8/9)	262.26 (2/3)	337.68 (8/9/78)	97.37 (6/1/75)
99	ALL-SHARE INDEX (673)	235.36	−1.0	—	5.27	—	237.76	238.11	237.15	239.57	214.52	242.30 (14/9)	191.15 (2/3)	242.30 (14/9/78)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

	British Government	Fri., Sept. 22	Day's change %	xd adj. To-day	xd adj. 1978 to date
1	Under 5 years	105.07	−0.21	—	6.70
2	5-15 years	115.62	−0.24	—	7.39
3	Over 15 years	121.81	−0.26	—	9.36
4	Irredeemables	128.45	−0.42	—	9.02
5	All stocks	113.57	−0.24	—	7.84

FIXED INTEREST YIELDS

	Br. Govt. Av. Gross Red.		Fri., Sept. 22	Thur., Sept. 21	Year ago (approx.)	1978 Highs	1978 Lows
1	Low Coupons	5 years	8.93	8.88	6.02	9.05 (6/6)	7.85 (3/1)
2		15 years	10.88	10.82	9.54	11.32 (5/6)	9.12 (3/1)
3		25 years	11.72	11.67	10.41	11.96 (5/6)	9.74 (3/1)
4	Medium Coupons	5 years	11.79	11.66	8.96	11.91 (4/7)	9.38 (3/1)
5		15 years	12.09	12.04	10.56	12.53 (5/6)	10.18 (3/1)
6		25 years	12.09	12.05	10.82	12.65 (6/6)	10.34 (3/1)
7	High Coupons	5 years	11.73	11.58	9.31	11.96 (5/7)	9.67 (3/1)
8		15 years	12.62	12.57	11.66	13.01 (5/6)	11.13 (3/1)
9		25 years	12.79	12.75	11.74	13.43 (5/6)	11.26 (3/1)
10	Irredeemables		11.54	11.48	10.33	12.15 (28/6)	9.80 (3/1)

		Fri. Sept. 22 Index No.	Yield %	Thur. Sept. 21	Wed. Sept. 20	Tues. Sept. 19	Mon. Sept. 18	Fri. Sept. 15	Thur. Sept. 14	Wed. Sept. 13	Year ago approx.	1978 Highs	1978 Lows	Since Compilation Highs	Since Compilation Lows
15	20-yr. Red. Deb. & Loans (15)	57.57	†12.89	57.54	57.54	57.56	57.55	57.57	57.57	57.52	57.55	63.67 (25/1)	56.37 (8/7)	113.43 (28/10/66)	57.07 (5/1/75)
16	Investment Trust Prefs. (15)	51.96	13.38	51.96	51.87	51.87	51.87	51.12	51.12	51.38	58.59	57.71 (11/1)	50.77 (20/7)	114.41 (13/8/63)	34.45 (4/12/74)
17	Coml. and Indl. Prefs. (20)	71.59	12.85	71.59	71.67	71.21	71.21	71.31	71.20	70.97	74.35	78.80 (11/1)	69.60 (20/7)	114.96 (2/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Pharmaceutical Products	30/12/77	261.77	Miscellaneous Financial	31/12/70	128.06
Other Groups	31/12/74	63.75	Food Manufacturing	29/12/67	114.13
Overseas Traders	31/12/74	100.00	Food Retailing	29/12/67	114.13
Engineering Contractors	31/12/71	153.84	Insurance Brokers	29/12/67	96.67
Mechanical Engineering	31/12/71	153.84	Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	145.76	All Other	10/4/62	100.00
Toys and Games	16/1/70	135.72			
Office Equipment	16/1/70	128.20			
Industrial Group	31/12/70	128.20			

† Redemption yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 22p. A fortnightly record of group and sub-section indices, dividend yields and earnings figures since 1962, with quarterly highs and lows of the indices, is obtainable from FT Business Enterprises, 10, Bolt Court, London, EC4, at £60 per copy.

CONSTITUENT CHANGES: Thomson Organisation (Newspapers, Publishing) has been replaced by Eurotherm International (Lt. Electronics, Radio TV). Orme Developments has been replaced by Crouch (Derek) (Contracting, Construction).

أطول من الأصل

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mgrs. Ltd. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Capital	36.5	38.8	-0.3	4.01
Abbey Income	43.2	46.0	-0.5	5.59
Abbey Inv. Tst. Fd.	39.2	41.7	-0.2	4.02
Abbey Gen. Tst.	49.0	52.1	-0.5	3.58
Equitas Prog. Tst.	71.4	75.3	-0.8	3.78

Allied Hambro Group♥ (a) (g)
Hambro Hse., Hutton, Brentwood, Essex. 01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	70.7	75.6xd	-0.6	5.35
Brit. Inds. Fund	68.4	73.2	-0.7	5.15
Grth. & Inc.	40.4	43.3	-0.4	4.85
Elect. & Ind. Dev	37.4	40.0	-0.3	4.42
Allied Capital	78.2	83.7	-0.5	4.06
Hambro Fund	114.3	122.3	-0.8	4.66
Hambro Acc. Fd.	129.6	138.7	-1.4	4.19
Income Funds				
High Yield Fd.	75.9	81.2xd	-0.3	7.53
High Income	70.3	75.2xd	-0.5	6.45
A.H. Eq. Inc.	41.8	44.7	-0.4	6.71
International Funds				
International	27.1	29.0	-0.7	2.34
Pacific Fund	48.2	51.8	-0.7	1.93
Secs. Of America	55.8	59.7	-0.2	1.92
U.S.A. Exempt♦	95.3	100.3	.....	1.49
Specialist Funds				
Smaller Co.'s Fd.	41.5	44.4	.....	4.17
2nd Smlr. Co's Fd.	49.7	53.2xd	-0.4	4.47
Recovery Sits.	102.7	109.9	-0.2	4.60
Met. Min. & C'dty.	44.2	47.3	-0.4	4.84
Overseas Earnings	62.5	66.9	-0.6	4.33
Expt. Smlr. Co's♦	253.6	266.9	+0.3	4.49

Anderson Unit Trust Managers Ltd.
158 Fenchurch St. EC3M 6AA 623 9231

Anderson U.T.	56.5	60.7	.....	3.68

Ansbacher Unit Mgmt. Co. Ltd.
1 Noble St., EC2V 7JA 01-623 6376

Inc. Monthly Fund	170.0	180.0xd	.....	9.02

Arbuthnot Securities Ltd. (a)(c)
37, Queen St. London EC4R 1BY 01-236 5281

Extra Income Fd.	111.0	119.4	-0.1	10.47
High Inc. Fund	43.2	46.5	.....	8.79
♦(Accum. Units)	60.2	64.8	+0.1	8.79
(6½% Wdrwl. Uts.)	57.5	61.9	.....	8.79

[illegible]

Framlington Unit Mgt. Ltd. (a)
5-7, Ireland Yard, EC4B 5DH. 01-248 6971

American	55.8	59.2xd	.....	1.10
Capital Tst.	141.0	150.0xd	.....	3.23
Income Tst.	119.8	127.4	.....	6.06
Int. Growth Fd.	126.0	134.0	.....	2.07
Do. Accum.	130.0	138.2	.....	2.07

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	47.2	50.4	-0.1	3.80
Do. Accum.	61.0	65.2	-0.1	3.80

G.T. Unit Managers Ltd.♥
16, Finsbury Circus EC2M 7DD 01-628 8131

G.T. Cap. Inc.	94.1	101.1	-0.2	3.30
Do. Acc.	113.9	121.1	-1.5	3.30
G.T. Inc. Fd. Un.	174.1	185.2xd	+0.9	8.10
G.T. U.S. & Gen.	141.7	158.7	-2.3	2.20
G.T. Japan & Gen.	362.0	381.0	-1.6	0.80
♦Gt. Pens. Ex. Fd.	143.5	150.6	.....	3.60
G.T. Int'l. Fund	156.7	166.6xd	+1.0	1.90
G.T. Four Yds. Fd.	58.3	62.0	.....	7.00

G. & A. Trust (a) (g)
5, Rayleigh Rd., Brentwood (0277) 227300

G. & A.	35.6	38.0	-0.3	4.37

Gartmore Fund Managers ♥ (a)(g)
2, St. Mary Axe, EC3A 8BP. 01-283 3531

(b)American Tst.	29.5	31.7	.....	0.06
British Tst. (Acc.)	61.8	66.4	-0.3	2.73
Commodity Share	171.6	184.5	-0.7	2.74
Extra Income Tst.	26.3	28.3	-0.1	8.03
(b)Far East Trust	39.1	42.0xd	-0.9	0.55
High Income Tst.	62.9	67.6	.....	8.30
Income Fund	80.0	86.0	-0.4	5.60
Ins. Agencies	14.86	15.88	-0.16	2.71
Intl. Exempt Fd.	95.9	102.5	-0.7	5.19
(b)Intl. Tst. (Acc.)	35.0	37.6	-0.1	0.91

Gibbs (Antony) Unit Tst. Mgs. Ltd.
3, Frederick's Pl., Old Jewry, EC2. 01-588 4111

(a)A.G. Income*	45.4	48.8	.....	7.30
(a)A.G. Growth††	41.7	44.8	.....	4.20
(a)A.G. Far East*	27.1	29.1	.....	0.40

Dealing *Tues. ††Wed.

Govett (John)♥
77, London Wall, E.C.2. 01-588 5620

S'hlr. Sept. 22	147.6	155.4	-4.2	2.85
Do. Accum. Unit	177.4	187.0	-5.0	1.85

[illegible]

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l.	25.0	27.2	.....	2.13
Accum. Units	29.5	32.0	.....	2.13
J. Finlay Income	35.8	38.8	.....	7.77
J. Finlay Euro. Fin.	28.0	30.5	.....	3.51
Accum. Units	32.8	35.5	.....	3.51
J. Finlay Fd. In. Tst.	30.2	32.7	.....	3.88
Accum. Units	34.6	37.6	.....	3.88

Prices Sept. 20. Next dealing Sept. 27.

Do. Accum.	85.8	92.4	-0.9	4.77
Growth	38.0	40.9	-0.4	2.77
Do. Accum.	40.8	43.9	-0.4	2.77
Capital	29.0	31.2	-0.2	2.99
Do. Accum.	31.6	34.0	-0.3	2.99
Income	54.9	59.1	-0.7	6.08
Do. Accum.	64.1	69.0	-0.8	6.08
International	47.0	50.9	-0.4	2.27
Do. Accum.	50.2	54.2	-0.4	2.27
High Yield	66.9	71.9	-0.3	7.49
Do. Accum.	70.9	76.2	-0.3	7.49
Equity Exempt*	108.1	114.1	.....	5.49
Do. Accum.*	108.1	114.1	.....	5.49

*Prices at Aug. 31. Next dealing Sept. 29.

CORAL INDEX: Close 517-522

INSURANCE BASE RATES

†Property Growth 10¼%

†Vanbrugh Guaranteed 9.25%

†Address shown under Insurance and Property Bond Table.

INSURANCE AND PROPERTY BONDS

[illegible]

OFFSHORE AND OVERSEAS FUNDS

[illegible]

Jardine S.E.A.	$US20.46	.....	1.40	
Jardine Flem. Int.	HK$12.42	.....	—	
Intl. Pac. Secs. (Inc.)	HK$14.91	.....	—	
Do. (Accum.)	HK$15.16	.....	—	

NAV Sept. 14. *Equivalent $US82.64. Next sub. Oct. 6.

TMT Ltd. Sept. 14	£11.99	11.64	.....	—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

Worldwide Gth Fd.	$US16.73	-0.10	—

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b To-day's prices. c Yield based on offer price. d Estimated. g To-day's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ¶ Guernsey gross. ‡ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision.

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1978 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
24	17	Antofagasta Rly	24	......	—	—
41	33	Do. 5pc Pref	41	......	—	—
98	98	Chilean Mixed	98	......	—	£3.10
415	350	German Yng. 4½pc.	411	......	4½	—
54	46	Greek 7pc Ass.	52	......	3½	£6.90
51	46	Do 6pc 28 Stab. Ass.	50	......	6	£6.04
44	40	Do 4pc Mixed Ass.	42	......	4	£5.05

BONDS & RAILS—Cont.

1978 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
55	42	Hung. '24 Ass.	50	......	4½	5.59
77	65	Iceland 6½pc '83-88	68	......	—	12.50
88	82½	Ireland 7½pc '81-83	83¼	......	7½	12.65
91	79	Do 9¾pc '91-96	80½xd	......	9¾	12.56
425	265	Japan 4pc '10 Ass.	400	......	—	—
87	68½	Do 6pc '83-88	72	......	6	10.70
160	140	Peru Ass 3pc	140	......	3	2.17
75p	75p	S G I 6½pc 1980	75p	......	6½	8.67
[illegible]	$94½	Turin 9pc 1981	$94½	......	9	9.52
[illegible]	DM81	Turin 6½pc 1984	DM91	......	6½	8.80
97	94	Uruguay 3½pc	97	......	3½	3.60

U.S. $ & DM prices exclude inv. $ premium

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PROPERTY—Continued

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SHIPBUILDERS, REPAIRERS

[illegible]							

SHIPPING

[illegible]							

SHOES AND LEATHER

[illegible]							

SOUTH AFRICANS

[illegible]							

TEXTILES

[illegible]							

TOBACCOS

[illegible]							

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]							

INV. TRUSTS—Continued

[illegible]							

For Yorkgreen see Finance, Land, etc.

Finance, Land, etc.

[illegible]							

FINANCE, LAND—Continued

[illegible]							

OILS

[illegible]							

OVERSEAS TRADERS

[illegible]							

RUBBERS AND SISALS

[illegible]							

TEAS

India and Bangladesh

[illegible]							

Sri Lanka

[illegible]							

Africa

[illegible]							

MINES

CENTRAL RAND

[illegible]							

EASTERN RAND

[illegible]							

FAR WEST RAND

[illegible]							

O.F.S.

[illegible]							

FINANCE

[illegible]							

DIAMOND AND PLATINUM

[illegible]							

MINES—Continued

CENTRAL AFRICAN

1978 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
210	155	Falcon Rh 50c	170xd	–3	Q60c	ϕ	21.4
24	15	Rhod'n Corp. 16½p	16	–1	0.57	7.1	5.3
80	52	Roan Cons. K4	70	......	—	—	—
41	32	Wankie Col. Rh.1	33	–1	†Q7½c	1.4	19.4
17½	10	Zam. Cpr. SBD0.24	15	......	—	—	—

AUSTRALIAN

1978 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
15	10	Acmex 25c	12	......	—	—	—
140	64	Bougainville 50 Toea	125	–1	†Q8c	1.4	4.0
131	63	BH South 50c	120	–4	—	—	—
820	150	Central Pacific	525	–35	—	—	—
336	148	Conzinc Riotinto 50c	318	......	‡Q10c	2.2	‡
27	9½	Endeavour 20c	24	–1	—	—	—
72	45	G.M. Kalgoorlie $1	60	......	—	—	—
68	18	Haoma Gold N.L.	62	+2	—	—	—
140	81	Hamptn Areas 5p	131	+3	t3.55	2.0	4.0
40	10	Metals Ex. 50c	39½	+1½	—	—	—
223	125	M.I.M. Hldgs. 50c	203	–1	Q9c	1.7	2.7
39	10	Mount Lyell 25c	33	......	—	—	—
6½	1½	Newmetal 10c	6½	+½	—	—	—
143	79	North B. Hill 50c	122	–2	Q8c	ϕ	4.1
16½	8½	Nth. Kalgurli	15	......	—	—	—
50	12	Nth. West Mining	43	+2	—	—	—
178	117	Oakbridge $A1	155	–3	†Q11c	1.9	4.4
70	30	Pacific Copper	66	–4	—	—	—
£15½	750	Pancont'l 25c	£10⅛	–⅞	—	—	—
40	12	Paringa M&Ex. 5p	31	+½	—	—	—
570	310	Peko-Wallsend 50c	523	–13	Q15c	ϕ	1.8
300	50	Southern Pacific	205	–5	—	—	—
164	84	Westn. Mining 50c	155	–1	Q3c	ϕ	‡
70	35	Whim Creek 20c	45	......	—	—	—

TINS

1978 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
30	23	Amal. Nigeria	26xd	......	2.82	ϕ	16.2
420	240	Ayer Hitam $M1	360	–5	‡Q0k7c	0.9	‡
60	45	Beralt Tin	49	......	t4.0	4.4	12.8
305	200	Berjuntai $M1	262	–3	Q110c	ϕ	9.0
155	111	Geevor	150	......	5.04	5.8	5.0
10½	8½	Gold & Base 12½p	10	......	—	—	—
340	220	Gopeng Cons.	340	......	15.23	0.9	6.8
225	130	Hongkong	225	......	—	—	—
93	78	Idris 10p	90	......	‡12.0	1.6	‡
11	7	Jantar 12½p	8	......	—	—	—
84	68	Kamunting $M0.50	76	......	Q12½c	2.1	3.5
640	450	Killinghall	640	......	Q125	ϕ	20.2
470	280	Malay Dredging $M1	450	–5	†Q95c	0.8	4.5
78	40	♦Pahang	68	–2	‡Q3.75c	0.5	‡
78	50	Pengkalen 10p	75	......	6.60	1.3	13.1
270	165	Petaling $M1	260	......	†Q80c	1.6	7.1
64	49	Saint Piran	58	–2	2.03	ϕ	5.2
61	47	South Crofty 10p	58	–2	4.19	2.0	10.8
245	140	South Kinta $M0.50	220	–5	Q70c	ϕ	6.8
340	230	Sthn. Malayan $M1	315	–5	‡Q131.3c	1.1	9.0
240	134	Sungei Besi $M1	215	–5	Q65c	ϕ	6.5
85	55	Supreme Corp. $M1	70	......	ZQ10c	—	3.1
100	85	Tanjong 15p	90	......	6.60	0.8	10.9
100	74	Tongkah Hrbr. $M1	90	......	‡Q56.82c	1.6	‡
270	148	Tronoh $M1	245	–10	ZQ88c	1.6	7.7

COPPER

1978 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
104	70	Messina R0.50	76	......	‡Q30c	1.9	‡

MISCELLANEOUS

1978 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
68	35	Barymin 2..	58	+1	—	—	—
17	9	Burma Mines 17½p	13	......	—	—	—
300	215	Cons. Murch. 10c	260	......	‡Q30c	2.6	‡
465	245	Northgate C$1	360	+5	—	—	—
258	164	R.T.Z.	237	–4	9.5	2.8	6.1
90	30	Sabina Inds. C$1	52	......	—	—	—
£12	750	Tara Exptn. $1	818	–7	—	—	—
74	43	Tehidy Minerals 10p	74	......	♦1.35	ϕ	2.7
185	120	Yukon Cons. C$1	147	......	Q7c	2.9	2.3

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ♯ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¥ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. ¶¶ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £400 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	25	......	Sheff. Refrshmt.	63	......
Ash Spinning	46	......	Sindall (Wm.)	105	......
Bertam	20	......			
Bdg'wtr. Est. 50p	330	+8			
Clover Croft	26	......	**IRISH**		
Craig & Rose £1	520	......			
Dyson (R. A.) A.	39	......	Conv. 9% '80/82	£91⅞	–⅛
Ellis & McHdy.	67	+1	Alliance Gas	78	+3
Evered	28xd	–1	Arnott	410	......
Fife Forge	52	......	Carroll (P.J.)	105	......
Finlay Pkg. 5p	21	......	Clondalkin	90	......
Graig Ship. £1	125	......	Concrete Prods.	145	......
Higsons Brew.	80	......	Heiton (Hldgs.)	51	+4
I.O.M. Stm. £1	153	......	Ins. Corp.	180	......
Holt (Jos.) 25p	258	......	Irish Ropes	130	......
Nthn. Goldsmith	70	......	Jacob	63	......
Pearce (C. H.)	190	......	Sunbeam	31	......
Peel Mills	20	......	T.M.G.	185	......
Sheffield Brick	45	+1	Unidare	110	......

OPTIONS
3-month Call Rates

Industrials		I.C.I.	20	Tube Invest.	30
A. Brew	6½	"Imps"	6	Unilever	35
A.P. Cement	18	I.C.L.	20	Utd. Drapery	7½
B.S.R.	9	Inveresk	8	Vickers	15
Babcock	11	KCA	3	Woolworths	5
Barclays Bank	25	Ladbroke	17	**Property**	
Beecham	35	Legal & Gen.	14	Brit. Land	3¼
Boots Drug	15	Lex Service	7	Cap. Counties	4½
Bowaters	16	Lloyds Bank	22	E.P.	5
B.A.T.	24	"Lots"	4	Intreuropean	4
British Oxygen	6	London Brick	5	Land Secs.	16
Brown (J.)	20	Lonrho	5	MEPC	12
Burton 'A'	12	Lucas Inds.	25	Peachey	8
Cadburys	5	Lyons (J.)	10	Samuel Props.	9
Courtaulds	10	"Mams"	7	Town & City	1¼
Debenhams	8	Mrks & Spncr	10		
Distillers	15	Midland Bank	25	**Oils**	
Dunlop	7	N.E.I.	12		
Eagle Star	11	Nat. West. Bank	22	Brit. Petroleum	45
E.M.I.	14	Do. Warrants	10	Burmah Oil	5
Gen. Accident	17	P & O Dfd.	8	Charterhall	3
Gen. Electric	18	Plessey	8	Shell	28
Glaxo	40	R.H.M.	5	Ultramar	20
Grand Met.	9	Rank Org. 'A'	18	**Mines**	
G.U.S. 'A'	20	Reed Intnl.	12		
Guardian	18	Spillers	3	Charter Cons.	12
G.K.N.	22	Tesco	4	Cons. Gold	14
Hawker Sidd.	20	Thorn	22	Rio T. Zinc	16
House of Fraser	12	Trust Houses	15		

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES
Saturday September 23 1978

MAN OF THE WEEK

Unwillingly into the limelight

BY MARTIN DICKSON

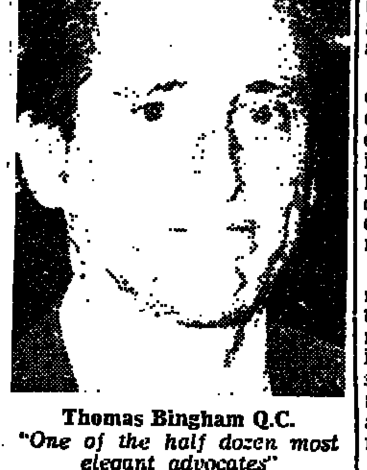
WHATEVER ELSE Mr. Callaghan and President Kaunda may discuss in Kano, this weekend, one topic is bound to dominate much of their conversation: the 400-page Bingham report into the breaking of Rhodesian oil sanctions, which was published five days ago.

The report confirms what President Kaunda has always maintained—that not long after Rhodesia's unilateral declaration of independence the southern African subsidiaries of the British oil companies became involved in oil supplies to Rhodesia and that the British Government found out in 1968 that this had been happening.

It was in May last year, shortly before visiting President Kaunda in Zambia, that Dr. David Owen, the Foreign Secretary, appointed Mr. Thomas Bingham, QC to investigate the sanctions busting allegations. Since then, the inquiry has taken up a great deal of the time of this tall, slim and rather sharp-featured barrister.

The report has thrust Mr. Bingham unwillingly into the glare of publicity. He is a modest man and, like all barristers, must not indulge in self-advertisement. This partially explains why, despite the Bingham report, he is a person little known beyond the legal profession.

Within the legal fraternity, however, he is recognised as one of the country's leading barristers, a man of great, if soft-spoken, wit, with a crisp command of the English language.



Thomas Bingham Q.C.
"One of the half dozen most elegant advocates"

A product of Balliol, he seems to embody that college's image of stylish yet seemingly effortless brilliance. According to one leading City solicitor, he must be "one of the half-dozen most elegant advocates practising today."

The better known cases in which he has appeared include the Tameside comprehensive education case (acting for the Department of Education), the Flixborough fire disaster (counsel for the tribunal) the winding-up of the Beatles' partnership (acting for the receiver) and the Westinghouse/Rio Tinto Zinc case arising out of U.S. anti-trust investigations (acting for Westinghouse). He is currently acting for the Bank of England in the Crown Agents Inquiry.

Although much of Mr. Bingham's work is now in the field of commercial law, colleagues point out that he is by no means a narrow specialist. His chambers in Temple are not specifically commercial chambers and Mr. Bingham originally made his name in the Queen's Bench Division in the 1960s, taking on more general cases.

It is since he took silk in 1972, at the relatively young age of 38, that the commercial side of his practice has become much more marked. He is said to be at his best in the Court of Appeal, where there is a great deal of interchange between the bench and the bar, requiring an extremely quick mind and clear mastery of points of law on the part of counsel.

From his youth, Mr. Bingham was clearly marked out as a high flier. The son of two medical doctors, he was educated at Sedbergh and Balliol, taking a first in history. Switching to the law, he took his bar exams in 15 months, passing out top of the class in the December 1958 bar finals.

Despite his success, the one quality that all his friends and acquaintances point to is a remarkably modest and pleasant nature. It is perhaps typical of Mr. Bingham that he is keen to point out that he was not the only person who worked on the sanctions report; that it was also signed by Mr. S. M. Gray, a leading chartered accountant. Friends refer to him as "excruciatingly nice" and "lacking any side."

All of this makes apposite a four-line stanza about Mr. Bingham which just over 20 years ago was added to the long and notorious list of rhymes penned by undergraduates in a Balliol suggestions book. It ran:

"Why does almost no one know
Who Tom Bingham is, although
He's done nothing to offend
And is everybody's friend?"

But while the last couplet may remain true at a personal level, the Bingham report is certainly not "everybody's friend," as its referral to the Director of Public Prosecutions illustrates.

Hussein in airfield talks with Arab hard-liners

BY ANTHONY McDERMOTT

KING HUSSEIN of Jordan held a surprise meeting yesterday with Mr. Yasser Arafat, the leader of the Palestine Liberation Organisation (PLO), and Colonel Muammar Gaddafy, the Libyan head of State, at Mafraq, an air base in north-east Jordan.

At the same time, President Hafez Assad of Syria, who for two days has been hosting a conference of Arab leaders opposed to President Sadat's initiatives towards Israel, asked Mr. Cyrus Vance, the U.S. Secretary of State, who was conferring with Saudi leaders in Riyadh, to postpone his visit to Damascus for twenty-four hours. He was due to arrive today.

The White House in Washington yesterday released the texts of nine letters exchanged at the Camp David summit. Significantly, they did not include the exchange between Egypt and Israel on the controversial question of Israeli withdrawal from the West Bank and the Gaza strip, affecting the status of east Jerusalem and the city as a whole, and the future of Jewish settlements in the region.

No details have been given about the talks at Mafraq, and the Palestinian and Libyan leaders later drove back to Damascus. It was the first time Mr. Arafat and King Hussein had met since the Arab summit in the spring of last year, and on Jordanian soil since King Hussein's army drove the Palestinian guerrillas out of the kingdom in 1970-71.

The meeting probably resulted directly from the conference in Damascus, where efforts to resurrect the "Eastern Front"—a military alliance of Syria, Jordan, and the PLO—are reported.

Jordan would be reluctant to become involved, not only because of its dependence on the West and the Arab oil states for at least half its annual State budget, but also because it would be exposing itself to Israeli retaliation if it became a base for Palestinian guerillas.

King Hussein no doubt took the opportunity of yesterday's encounter with Mr. Arafat to brief him on the clarifications for which the Jordanians asked Mr. Vance during his visit to Amman this week.

Mr. Arafat and Colonel Gaddafy probably asked King Hussein to join the group in Damascus. The meeting must have come as a surprise to Mr. Vance on the U.S. assumption that Jordan, as much as Israel, wanted to exclude the PLO from negotiations on the West Bank and the Gaza strip. Jordan is unlikely to change its position unless it has the blessing of Saudi Arabia.

In Riyadh, Mr. Vance said that his mission to explain the Camp David accord to the Saudi leadership and King Hussein had been "absolutely essential."

The indications are that, after meetings with King Khaled and Crown Prince Fahd, there was little progress towards securing their support, and that the Saudi government had not moved from the reservations it expressed in a Cabinet statement on Tuesday night.

In Damascus, the conference of the "steadfastness and confrontation front" of Syria, Algeria, Libya, South Yemen and the PLO, was preparing after two days to draw up a final document. It was said in Damascus that one result would be the revival of the "Eastern Front," with its military command expanded to include Algeria and Libya as part of its strategy to oppose the Camp David accords.

The document was expected to include provisions for increased military and economic aid to Syria and the PLO, and closer ties with the Soviet Union.

More Middle East news, Page 2
Editorial comment, Page 14

Finance Ministers face call to boost IMF quota

BY JUREK MARTIN AND PETER RIDDELL

WASHINGTON, Sept. 22.

A 50 per cent increase in International Monetary Fund quotas, as recommended in a report by the Fund's board of directors, will be one of the principal topics facing the world's Finance Ministers as they gather there for next week's annual meetings of the IMF and the World Bank.

The economic policies of the Carter Administration and the mood of the U.S. Congress will also come under close scrutiny at the meetings.

In both formal and private discussions over the next seven days, the U.S. will not only be expected to explain the state of its energy, anti-inflation and dollar support policies, but also to disclose its views on expansion of the resources of both international institutions.

The IMF will consider a report from its board of directors the burden of which is to recommend a 50 per cent increase in IMF quotas, and a separate but closely related report in favour of a modest allocation of special drawing rights, the IMF's "paper gold."

West Germany, Holland and Australia, it is understood, still believe that a quota increase of much less than 50 per cent is in order, but their objections would easily be overcome if the U.S. were to opt for the higher figure.

Mr. Anthony Solomon, Under-Secretary of the Treasury for Monetary Affairs, implied last Wednesday that though a 50 per cent increase in quotas might eventually be agreed on final resolution might have to be put off until next year.

Such a delay would infuriate not merely the developing countries but also those in the industrialised world, such as the UK, that are concerned about the ability of the IMF to meet the demands made on it.

The Administration appears to believe that if it formally agrees to expand its contributions to the international institutions in the future, Congress will look askance at disbursements in the Bill now in front of it.

There were signs today that Congress was starting to move on the Foreign Economic Assistance Appropriations Bill, which embraces the Witteveen facility as well as clearing up the U.S. arrears on its contributions to the International Development Association (IDA), the soft loan arm of the World Bank. The Carter Administration would dearly like to see Congressional action to present to the annual meetings.

This afternoon a meeting of the OECD's Working Party Three was being held in the State department to brief U.S. officials on the new European system.

The Fund and Bank meetings do not start until Monday, but are to be preceded by two sessions of arguably greater significance—discussions of the Group of Ten industrialised nations tomorrow, and of the IMF's Interim Committee on Sunday.

The World Bank Development Committee is due to meet tomorrow.

All these sessions are likely to concentrate on the need for greater economic growth in the developed world, and West Germany and Japan in particular may come under some pressure to stimulate domestic demand further.

Such pressures will probably be appreciably less than they experienced here a year ago, partly because of the present fixation with U.S. policies, and partly because of the reflationary measures that both Governments have taken in recent months.

In spite of protestations to the contrary by Mr. Denis Healey, Chancellor of the Exchequer, it is probable that in the margins of all the negotiations there will be considerable discussion of the proposed new European monetary system.

However, a Senate-House Conference Committee today agreed on a bill permitting the U.S. to contribute about $1.7bn to the IMF's Witteveen facility.

Shortly afterwards the Senate voted 47-18 to allocate the full amount of the U.S. contribution, rejecting a proposal to cut it to $500m.

Mr. Michael Blumenthal, the Treasury Secretary, had said a cut in the U.S. contribution would have destroyed an unprecedented international effort at a time when the world's monetary ssytem was under serious strain.

The Senate-House Conference Committee's Bill now goes to the two chambers for routine approval.

Commonwealth Ministers, Page 2

Tilling pulls out of bidding for Yale

By Andrew Taylor and John Wyles

THOMAS TILLING yesterday pulled out of its planned acquisition of the U.S.-owned Yale security and lock concern, and it was later announced that the business had been sold for $55m (£28m) to Scovill Manufacturing of Connecticut.

Tilling, one of Britain's top 50 companies, had been negotiating for several months with Eaton Corporation of Cleveland, Ohio, but in the end decided that the asking price for Eaton's security division was too high.

According to an Eaton spokesman the Scovill approach came before agreement in principle with Tilling was announced. He said that the security business, which generated sales of £55m last year—65 per cent of it earned in the UK and Europe—would complement Scovill's growing household equipment business. Scovill also manufactures electronic appliances, automotive products and sewing accessories.

Mr. Patrick Meaney, managing director of Tilling, said in London yesterday that Eaton had originally been seeking a "rather higher" price than the $55m that Scovill has paid.

Although agreement in principle and an approximate price had been agreed between Tilling and Eaton, the British group, on further investigation, concluded that the profit prospects of the security business were lower than at first thought.

Daily Star launch set for November 2

By Alan Pike, Labour Correspondent

EXPRESS Newspapers announced last night that the Daily Star, the first national newspaper to be launched in Britain for 14 years, will appear on the streets on November 2.

The announcement followed a decision by National Union of Journalists members on the Daily and Sunday Express to give their full support to the new newspaper.

Mr. David Ross, father (chairman) of the Express NUJ chapel, said after a meeting of the journalists that support was being given following a written assurance from management that there would be no changes in production methods which, the journalists believed, could have damaged the Express.

Volkswagen and MAN extend Europe truck distribution link

BY KENNETH GOODING

VOLKSWAGEN AND MAN, the West German truck manufacturer, are to strengthen their existing commercial vehicle links by setting-up joint distribution companies in all European markets.

The UK is the first country where agreement has been reached. A marketing company is to be set up, jointly owned by the two manufacturers and their distributors, Tozer Kemsley and Millbourn (TKM) and Volkswagen (GB), a Lonrho subsidiary.

The move follows a 1977 agreement for the two German groups to co-operate in production of trucks in the six- to nine-tonnes range, an area of the market not covered by either company at present.

VW has concentrated on lower-weight vehicles, while MAN's trucks are over 11-tonnes gross vehicle weight. The co-operation deal will allow both to supplement their ranges with considerable cost savings.

It will give the German concerns a combined output of about 300,000 trucks a year, equal to each of the top two European truck makers, Daimler-Benz of Germany and IVECO, which combines the truck operations of Fiat of Italy, Magirus-Deutz of Germany and Unic of France on a par with the big North American producers.

VW will make the cabs, rear axles and gearboxes for the new truck range, while MAN will make the engines, frames, front axles and special bodies.

Production is to be of the order of 15,000 vehicles a year, with 10,000 for export.

The first of the newcomers will be launched at the Frankfurt Motor Show in 1979. By 1982 between them VW and MAN will offer a range of trucks from 2.8 tonnes to 200 tonnes.

Meanwhile VW and MAN are talking with their distributors throughout Europe about joining forces and separating the commercial vehicles business from cars.

In West German, where MAN has its own distribution outlets, the VW "LT" light trucks will be added to the range on offer.

Continued from Page 1

Ford strike call

general executive council, which reaffirmed its policy of co-operating with the Government on general economic matters, and working for a Labour victory at the next election, but opposing its incomes policy.

The TGWU even voted to give £150,000 for Labour's election campaign, and to raise its Labour Party affiliation strength next year from just over 1m to 1,250,000—worth £42,000 more in annual affiliation fees.

The Labour Party now has half of the £1m it is asking from the unions for the election.

Mr. Evans said the Ford union side decision left him "not in the least bit surprised."

Earlier, before the decision was retailed to Transport House, he implied for the first time that the incomes policy would hurt Labour's electoral chances.

"There will be a lot of disillusioned workers who will lose jobs if the Government imposes sanctions. I think it's only natural."

He said that there would be an angry response from local government workers, who, against an inflation rate of 7.8 per cent, stood to receive an increase of only £2.35 a week.

"The Prime Minister made it perfectly clear that he relies on public opinion. We believe that as a trade union we are doing the right thing in trying to maintain and improve living standards."

The Transport Workers is in the increasingly uncomfortable position of being a union loyal to the social contract, but with tens of thousands of members—at Ford, in road haulage and the public services—challenging the cornerstone of Labour's counter-inflation strategy.

Mr. Ron Todd, TGWU national organiser and leader of the Ford unions, is treasurer of the London Labour Party.

He said: "I don't want to get into confrontation with the Labour Government. We are in favour of 90 per cent of their policies, but in terms of wage restraint they are wrong."

Weather

UK TODAY

MAINLY DRY with sunny spells. Some rain in north.

London, E. Anglia, Midlands, S.E., Cent. S. England, Channel Isles
Mainly dry. Sunny spells. Max. 20C (68F).

Cent. N., N.E. England
Mostly dry, sunny spells. Max. 17C (63F).

S.W. England, S. Wales
Mainly dry. Max. 18C (64F).

N.W. England, N. Wales, Isle of Man
Mostly cloudy, some rain later. Max. 16C (61F).

Borders, Edinburgh, Dundee, Aberdeen, Moray Firth
Rain in places, bright spells first. Max. 16C (61F).

S.W., N.E., N.W. Scotland, Glasgow, Cent Highlands, Argyll
Rain at times. Max. 16C (61F).

Orkney, Shetland
Rain at times. Max. 13C (55F).

N. Ireland
Rain at first. Max. 16C (61F).

Outlook: Mainly dry and rather warm in S at first, some rain in other parts.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amstrdm.	C	17	63	Madrid	S	27	81
Athens	C	19	66	Manchstr.	C	17	63
Bahrain	S	35	96	Melbourne	C	13	55
Barcelona	S	25	77	Milan	S	21	70
Beirut	S	27	81	Montreal	S	12	54
Belfast	S	18	64	Moscow	C	10	50
Belgrade	C	16	61	Munich	S	17	63
Berlin	R	14	57	Newcastle	C	17	63
Birmghm.	F	17	63	New Delhi	S	29	84
Bristol	F	17	63	New York	R	23	73
Brussels	C	14	57	Oslo	R	8	46
Budapest	C	17	63	Paris	S	19	66
B. Aires	S	19	66	Perth	S	18	64
Cairo	S	31	89	Prague	R	11	52
Cardiff	F	17	63	Reykjavik	C	11	52
Chicago	S	17	63	Rio de J'o	S	27	81
Cologne	C	19	66	Rome	S	26	79
Copnhagn.	R	11	52	Singapore	C	29	84
Dublin	C	17	63	Stockholm	F	11	52
Edinbrgh.	C	16	61	Strasbrg.	S	19	66
Frankfurt	R	17	63	Sydney	R	14	57
Geneva	S	17	63	Tehran	S	32	90
Glasgow	C	16	61	Tel Aviv	S	27	81
Helsinki	C	9	49	Tokyo	C	24	75
H. Kong	S	29	84	Toronto	S	14	57
Jo'burg	C	24	75	Vienna	C	15	59
Lisbon	S	26	79	Warsaw	C	10	50
London	F	20	68	Zurich	F	16	61
Luxembrg.	C	15	59				

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	23	73	Jersey	S	17	63
Algiers	S	26	79	Las Plms.	S	24	75
Biarritz	S	23	73	Locarno	S	20	68
Blackpool	C	16	61	Majorca	S	27	81
Bordeaux	S	22	72	Malaga	S	26	79
Boulogne	C	17	63	Malta	S	23	73
Casablnca	C	24	75	Nairobi	S	24	75
Cape Town	S	16	61	Naples	S	21	70
Corfu	S	22	72	Nice	S	22	72
Dubrovnik	S	20	68	Nicosia	S	25	77
Florence	S	23	73	Oporto	S	28	82
Funchal	S	25	77	Rhodes	S	24	75
Gibraltar	S	24	75	Salzburg	F	18	64
Guernsey	F	17	63	Tangier	S	27	81
Innsbruck	C	18	64	Tunis	S	25	77
Inverness	F	17	63	Valencia	S	26	79
I. of Man	S	16	61	Venice	F	19	66
Istanbul	R	14	57				

S—Sunny. F—Fair. C—Cloudy. R—Rain.

THE LEX COLUMN

Why Government has to pay 12½%

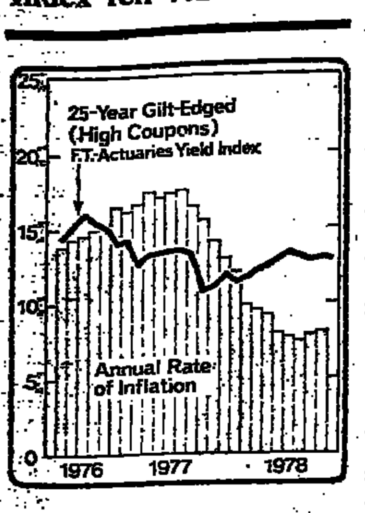
The gilt-edged market is finding a series of excuses to drag its heels. The removal of the threat of an early election failed to tempt the institutional fund managers off their fence and now the industrial troubles at Ford highlight the uncertainties over the new round of Stage IV pay negotiations. For good measure, news from across the Atlantic has continued to be unsettling with the official U.S. Federal Reserve discount rate, for example, being raised ½ of a per cent to 8 per cent yesterday. In London the rate at yesterday's Treasury Bill tender rose slightly and pressure built up on the short end of the gilt market where prices were down by half a point. There has been less action in the longs where there are few sellers — but precious few buyers either.

Yet during the summer the big funds have been piling up their liquidity once again. On some calculations they are now sitting on more cash than in the late spring, during the funding crisis that led to the June economic package. There is no immediate crisis this time because the money supply has apparently stayed well within the target range.

At one level there are tactical reasons for the Government's inability to sell stock. The Government Broker's policy of consistently supplying tap stocks in lumps of £100m at price intervals of an eighth or so has become too easy to read. Fund managers see little point in taking a risk of buying a tap stock which may be overhanging the market for months when they can pick up their telephone and get the stock at a price only marginally higher at a time when it is obviously right to do so. Only when the official sales pattern becomes less predictable will fund managers consider it more risky to stay out of the market than to go in.

More fundamentally, the current high level of gilt edged yields—nearly five points higher

Index fell 7.1 to 518.6



than inflation—stems from the decision in the last Budget to increase the public sector borrowing requirement substanially during a period of rising economic activity. This has coincided with a growing portfolio problem among the big institutions: in many cases they already hold more gilts in relation to equity-type investments than they would like, and it is taking increasingly generous real yields to tempt them to hold even more.

It is unlikely, in fact, to be very long before the institutions off-load some of their embarrassing balances into the taps. But there can be no bull market in gilts until fiscal and monetary policies are operated more harmoniously. Meanwhile the market fears that last year's monetary excesses are coming home to roost in the current pay round.

Telefusion

Telefusion is still finding the going tough. Five years ago it was making as much pre-tax (£3.2m) as it is likely to produce in the current year—and a third more than the £2m reported yesterday for 1977-78. A large part of the problem stems from the group's retail chain Trident which has disappointed consistently and been in the black in only one of the past three years. Now the Telefusion board reckons it has found the right answer: Trident is to change over to larger stores. But the benefits will not be immediate. Even if the current year brings Trident 50 per cent more sales it may only break even, after the £½m reorganisation costs. At 39p, on a prospective fully taxed p/e of 12, the only excitement lies in the possibility that Telefusion has got it right, at last.

Placing power

The stock market was buzzing with rumours of large share placings yesterday. It is understood that over 2m shares in Midland Bank, 1m shares in Standard Chartered Bank and large lines in Boots, Molins and Thorn were placed with the institutions. Altogether these disposals probably amounted to close to £20m, equivalent to roughly a quarter of a normal day's turnover in equities, or to a medium-sized rights issue.

In fact, with the number of rights issues down to a trickle, considerably more money is being raised by share placings at the moment. Over the past four months the amount of money raised by rights issue has been averaging less than £50m per month. Most companies are flush with funds and have little incentive to tap the equity market. Meanwhile, the institutions' liquidity is building up. Against the background of political uncertainty, the institutions appear to be unwilling to commit themselves wholeheartedly to the equity market but they are also not keen to buy property and gilts on current yields. The explanation to the recent increased placing activity seems to be that while the institutions are not going to take the initiative for fear of driving up prices, they are not averse to brokers knocking on the door and offering them large lines of stock at a significant discount.

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.

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